

Jordan Times

An independent Arab political daily published by the Jordan Press Foundation
جوردان تايمز يومية مستقلة تصدر بالانجليزية عن المؤسسة الصحفية الأردنية (الراي)

EC executive to propose 500m ECU loan to Algeria
BRUSSELS (R) — The European Commission will on Monday propose that the European Community loan Algeria 500 million European currency units (\$560 million) to support economic reform efforts, EC officials said Friday. The commission proposal follows a decision in principle by the EC summit last weekend to offer balance-of-payments support to the embattled government in Algeria. The summit instructed EC finance ministers to decide how much the loan would be at their meeting July 8. Algeria asked for 800 million ECUs (\$897 million). But the EC officials said that even if the finance ministers give their assent to the loan, it could not be disbursed immediately because the agreement needed to be endorsed by the European parliament.

AMMAN SATURDAY, JULY 6, 1991, THU AL HIGHEH 24, 1411

Price: Jordan 100 fils; Saudi Arabia 1.50 riyals; UAE 1.50 dirhams

Palestinians give up last bases in Lebanon

SIDON, Lebanon (Agencies) — The Lebanese Army occupied the last Palestinian guerrilla positions in South Lebanon Friday, advancing to the edge of the Palestinian refugee camps. Troops swept through the positions under a peace pact agreed Thursday to end four days of fighting for bases surrounding refugee camps near Sidon, 40 kilometres south of Beirut. Hospital sources said 73 people were killed and 200 wounded in battles for control of the positions. Most of the dead and wounded were Palestinians. The guerrillas' withdrawal to the refugee camps at Mieh Mieh and Ain Hweib places the Lebanese army across infiltration routes used by the fighters to attack Israel and its allies. Defence Minister Michel Aoun said in a statement the army completed its deployment after Palestinian guerrillas evacuated their last positions outside the camps. Hundreds of commandos first secured a road into Mieh Mieh village, next to the refugee camp on Sidon's eastern edge. They then fanned out to take other routes. After four days of battle, the Palestine Liberation Organisation (PLO) accepted that its fighters would be restricted to the two camps near Sidon, and weapons used to defend them against Israeli raids would be moved out of the country. From his headquarters in Tunis, PLO Chairman Yasser Arafat declared his full backing of the accord announced Thursday evening. It marked a success for the government's efforts to assert its authority in southern Lebanon after 16 years of civil war that has killed 150,000 people. Lebanese militias are surrendering their weapons and are cooperating with the government's plan. But they had to push the PLO guerrillas out of hilltop village strongholds they had used as springboards for attacks on Israel during the past 20 years. President Elias Hrawi's government hopes that, by restricting guerrilla activity, it will remove any rationale for Israeli raids and pressure Israel to withdraw 1,000 soldiers from the border enclave it occupies in southern Lebanon. Israel's coordinator for South Lebanon, Uri Lubrani, told Israeli Television Thursday: "I think that the Lebanese know very well that we are here not to stay here forever but to watch out for the security interests of the people of Israel. And as long as those interests dictate our presence here, we will continue to stay here." The soldiers searched the parcels of Palestinian women and children who left the camps Friday to fetch food from Sidon. Trucks loaded with vegetables, meat and other food drove past army checkpoints to the camps, home for about 60,000 refugees. Hundreds of tired guerrillas, their Soviet-designed AK-47 rifles dangling from their shoulders, sat in small groups inside the camps, some of them sleeping. "This is a big prison now. Men are not going out even as civilians. The soldiers are arresting all men," said a fighter who identified himself only as Inad. Military sources said the army detained at least 500 Palestinians in the Sidon region since it moved south Monday. Helicopters toured Sidon in jeeps and raided suspected guerrilla hideouts in the city of 300,000 people. The accord between the PLO and the government will leave the 5,000 guerrillas equipped only with automatic rifles. Their heavy weapons are to be assembled at the army-controlled village of Bramiyeh, east of Sidon. Saturday until a decision is made on where to send them. Possibilities include Tunisia and Yemen, where the PLO has military camps. Army officials in Sidon said the weapons to be handed over include anti-aircraft guns, mortars, recoilless cannons and rocket-propelled grenade launchers. The guerrillas lost most of their howitzers and multi-barrelled rocket launchers in the fighting. Zeid Wehbeh, Lebanon representative of the PLO, said Friday the PLO would start collecting its heavy and medium weapons within 48 hours under army supervision. He told Reuters the PLO was still considering what to do with the arms and its fighters. The weapons could be shipped abroad and fighters might be evacuated from Lebanon, Mr. Wehbeh added. Mr. Wehbeh, who said the army had not yet released some 400 Palestinians captured in the last few days as promised by the government, blamed the United States for the flare-up.

Li arrives today; peace efforts and bilateral ties key themes

By a Jordan Times Staff Writer with Agency dispatches
AMMAN — Chinese Prime Minister Li Peng arrives here today on a two-day visit during which he will discuss with Jordanian leaders various Middle Eastern issues as well as means to enhance bilateral relations. Mr. Li, the first Chinese prime minister to visit the Middle East, is expected to be received by His Majesty King Hussein. Prime Minister Taher Masi and other government leaders will discuss with Mr. Li ongoing efforts to resolve the Arab-Israeli conflict and prospects for peace in the region. Economic cooperation and trade relations between Jordan and China are also expected to be raised during the Chinese minister's talks here. Mr. Li's visit to the Middle East is seen as aimed at reasserting China's role and interest as a permanent member of the U.N. Security Council as well as a country which enjoys excellent relations with some of the countries in the region. "There is strong concern in Beijing that China's international role has been marginalised during the Gulf crisis and war," said a political observer. "It is only natural that China would want to underline its political role and reassert that it cannot be marginalised," he added. In comments made in Cairo Friday, Mr. Li promised to take a positive stance at big-power talks on Middle East arms controls but said restrictions should be linked to peace moves. "We believe that the arms control talks in this region should be linked to the peace process... because only by achieving peace can we live up to the aspirations of the people of the Middle East," Mr. Li said. China will take a very positive approach towards the arms control meeting in Paris... he told a news conference. The five permanent members of the U.N. Security Council — the United States, the Soviet Union, Britain, France and China — are due to meet in Paris later this month to consider ways of slowing down the Middle East arms race. Mr. Li said any disarmament proposal should be "balanced, comprehensive and effective." "By comprehensive we mean that all countries should be put under control... and all types of weapons should be put under control," he said. The Chinese premier, without naming Israel, said that the Jewish state currently has a military edge over the Arabs and warned that this "imbalance" could cause a "security threat" to the region. "We must not allow continuing to export weapons to those countries that have large military arsenals while forbidding the export of weapons to some other countries that want to make those imports of weapons just for the purpose of self-defence," Mr. Li said.

Arafat gives Nathan assurances of peace

TUNIS (R) — Palestinian leader Yasser Arafat met Israeli peace activist Abie Nathan Thursday night in Tunis and gave him written assurances that his Palestine Liberation Organisation (PLO) was committed to peace. "When talks start between the Israeli government and PLO representatives, we will do our utmost to ban any violence by Palestinian elements," Mr. Arafat said in response to questions handed over by Mr. Nathan. He also promised his visitor the PLO would amend the Palestinian charter a document used by Israel's hawks to justify their refusal to talk to the organisation. "Before a peace agreement is signed, the Israeli government and the PLO will state their readiness to delete from their political and constitutional documents all references that could be seen as an offence or a threat to the security of Israel and the Palestine state," Mr. Arafat said. Mr. Nathan, who is again defying an Israeli law banning all contact between an Israeli citizen and a PLO member, was jailed for four months in 1990. See page 2 for excerpts from Mr. Arafat's assurances.

Iraq promises details and instant U.N. access to suspect materials

UNITED NATIONS (Agencies) — Iraqi President Saddam Hussein has promised to give the United Nations a complete list of all Iraq's nuclear materials and sites by Monday and will grant inspectors instant access, diplomats said Friday. The pledge came in a reply Friday to a request the day before from U.N. Secretary-General Javier Perez de Cuellar, said U.N. spokesman Alexander Tunkatch. Diplomats on the Security Council said President Saddam had promised a complete accounting of all nuclear sites, equipment and machinery by Sunday evening or Monday morning. U.N. inspectors would be able to inspect the sites without advance notice, the council diplomats said, speaking on condition of anonymity. The note from the Iraqi leader arrived as a special commission reported to the Security Council that Iraqi behaviour towards teams searching for uranium-enrichment equipment fell short of what was required. The Security Council planned an informal discussion on Friday on President Saddam's note and the report, prepared by Rolf Ekus, director of the U.N. special commission in charge of Iraq's weapons of mass destruction. Mr. Ekus said Iraq's response to "objects" which the U.N. teams wanted to inspect on June 28 "fell short of what had been called for by the Security Council." He did not recommend any specific action but said that assurances from Iraq of future compliance "can only be evaluated in light of present and future implementation by the Iraqi authorities."

In a separate note, President Saddam said that "with respect to concerns of the mission" it had been arranged that Iraq would provide "a list of the items about which it sought information" by Sunday July 7 or the following Monday. He said that "prompt and unimpeded access will be ensured to the location and items designated for inspection in accordance with Security Council Resolution 687..." According to a published report Friday President Bush believes he has authority to launch a "Gulf-2" military strike if Iraq continues to block inspection of suspected nuclear weapons plants.

Algerian Islamists continue to press hard line as violence ebbs

ALGIERS (Agencies) — A Muslim fundamentalist leader Friday called for a "holy war" against the government if it continued its sweeping crackdown on the Islamic Salvation Front (FIS). "We are for dialogue, but if the authorities persist in their aggressive attitude against the front, to weaken and eliminate it, we will call for a jihad," said Mr. Mohammed Said, the party's fourth ranking leader. The top two leaders of the fundamentalist party were arrested Sunday after they made similar calls for a holy war a week earlier. More than 1,300 fundamentalist supporters also were arrested over five days, and security forces seized the front's headquarters. Mr. Said told thousands of worshippers gathered at an Algiers mosque for weekly prayers that the movement was prepared to go underground if the government "persists in this plot to suffocate it." "If the authorities insist on cutting off the heads of the front, they will bear the responsibility for what happens," said Mr. Said, "and unfortunately it is Algeria which will pay the price." Shouts of "Allahu Akbar" echoed through the Bab Al Oued stronghold of the (FIS) as Mr. Said led a collective cry for the release of the front's leaders. More than 25,000 bearded fundamentalists streamed from the mosque and surrounding area after prayers which should normally have been led by Mr. Belhadj. Despite the fervour, the military presence in the city, celebrating its 29th anniversary of independence from France, was at a minimum. Armed police outside the security headquarters near the mosque appeared relaxed as the crowds headed home. In torrid heat, FIS militants handed round an appeal for help for those arrested and money for lawyers. The statement promised an open meeting of FIS leaders next week to outline its strategy for legal opposition.

Mr. Said said Mr. Madani had told him just as he was being arrested: "Guard the FIS on the path of legality and against going underground. Do not let it deviate from this path." Last Friday Mr. Madani threatened to call for holy war unless the army, enforcing a state of siege after at least 40 people died in FIS-inspired protests, returned to barracks. Since the arrests the army has progressively withdrawn tanks and troops and night-time gunfire and curfew violations appear to have ended. The military announced Friday that from Sunday the curfew would be shortened by one hour to run from midnight to 3.30 a.m. Prime Minister Sidahmed Ghazali, appointed by President Chadli Benjedid on June 5, told parliament Thursday that Algeria's transition to multi-party democracy would continue. He repeated his promise to hold postponed parliamentary elections before the end of the year.

Unopposed Mandela named ANC president

DURBAN (AP) — Nelson Mandela was named on Friday president of the African National Congress (ANC) a position that should give him greater authority to negotiate with the white-led government. More than 2,000 delegates leapt to their feet in jubilation when the head of the ANC's electoral commission, Charles Ntshang, announced Mr. Mandela's selection from a dais draped in the ANC colours of green, gold and black. Mr. Mandela was the only nominee for the presidency, so his name did not appear on the ballot. "No ballot was necessary," Mr. Ntshang said. Mr. Mandela's longtime friend, Walter Sisulu, 79, easily defeated hardline communist party member Harry Gwala for the number two post of deputy president. Mr. Sisulu received 1,567 votes to 412 for Mr. Gwala. The results reflect the control over the ANC by Mr. Mandela, 73, and other old-guard comrades whose names have become synonymous with the black majority's struggle for political power. Their election to the ANC's most powerful posts should keep the group on a relatively moderate path as it heads towards negotiations with the government on a new constitution ending white-minority rule. Hardliners such as Mr. Gwala distrust the government and fear negotiations could force the ANC to make too many concessions. Mr. Mandela had been the de facto leader of the ANC in his role of deputy president, which he assumed after his release from prison in February 1990. The outgoing president, Oliver Tambo, has been in poor health since suffering a stroke two years ago and was given the largely honorary post of ANC national secretary. Mr. Mandela's charisma, good relationship with President F.W. de Klerk, and wide support among both older moderates and young militants made him the obvious choice for the presidency. Voting lasted more than four hours as the more than 2,200 delegates stood in the blazing sun to mark ballots in private voting booths. The mood inside the huge hall at the University of Durban-Westville campus was jubilant as the results were announced. Delegates jumped to their feet and broke into songs and dances after each winner's name was called. Mr. Mandela smiled but said nothing. His wife, Winnie, rushed to the stage and hugged him.

Ethiopians get new government

ADDIS ABABA (R) — A national conference of Ethiopian political groups ended in Addis Ababa Friday with the creation of a new transitional government. "We have only just begun our march on the road to democracy and have not even reached halfway," former guerrilla chief Meles Zenawi told delegates. Mr. Meles was certain to be endorsed as president by the new government in which his Ethiopian People's Revolutionary Democratic Front (EPRDF) holds 32 out of 87 seats. The EPRDF called for the 24-party talks after overthrowing former dictator Mengistu Haile Mariam's government last May. "As a start it was promising, but I hope it leads to a more open kind of democracy later," said one Western ambassador who was among international observers at the talks. "He (Mr. Meles) was so much in control of proceedings, so I'm cautious," he added. The transitional parliament would soon appoint a cabinet in its first session which diplomats said was likely to include EPRDF members and senior figures from key parties representing ethnic groups such as the Oromos.

U.N. chief attempts to break Cyprus deadlock

NICOSIA (AP) — The U.N. secretary-general pressed Greek and Turkish Cypriots Friday to intensify efforts to reunite the war-divided island and the Greek Cypriot leader said there would be "a lot of movement" in the weeks ahead. Mr. Javier Perez de Cuellar said in a letter delivered the leaders of both sides that if there is no progress by the end of August he will publicly identify the side responsible, authoritative sources reported. As the 17th anniversary of the Turkish invasion which split the island approaches, Mr. Perez de Cuellar's move reflected his growing impatience with stalled peace talks that have been deadlocked since January last year. Turkey seized the northern one-third of Cyprus July 20, 1974, ostensibly to protect the 120,000-strong Turkish Cypriot minority following an Athens-backed coup by supporters of union with Greece. The Turkish Cypriots proclaimed a breakaway republic nine years later. It is recognised only by Turkey. Before the invasion, the Christian Greeks and Muslim Turks on Cyprus were constantly feuding. A U.N. peacekeeping force deployed in 1964 remains on the island patrolling the dividing green line. Greek Cypriot sources, speaking on condition of anonymity, said Mr. Perez de Cuellar's letter was seen as pressure on Turkey to do more to help break the deadlock. The letter was carried by Mr. Oscar Camilion, the special U.N. representative on Cyprus, two days before Mr. Perez de Cuellar is due to visit Ankara for talks on resolving the Cyprus problem. Mr. Camilion called separately on Cyprus President George Vassiliou, the Greek Cypriot leader, and Turkish Cypriot leader Rauf Denktaş. In his latest report on Cyprus to the U.N. Security Council last week, Mr. Perez de Cuellar pressed the Turkish Cypriots to respond to long-standing questions on what territory they seek to hold in a proposed bizonal federation with Greek Cypriots and on permitting Greek Cypriot refugees to return to the occupied north. Mr. Vassiliou said in an interview with the Associated Press that he expects to "see a lot of movement" in international efforts for a settlement in the coming weeks.

Slovenia meets some demands of Belgrade

BELGRADE (Agencies) — Slovenia said Friday it had complied with a federal demand to lift the blockades at Yugoslav military bases in the breakaway republic and began to release federal army prisoners. It also announced it was demobilising 10,000 members of its armed forces. The secessionist republic, however, defied orders from Yugoslavia's collective presidency to withdraw its forces from combat positions. The army said some barracks were still being blockaded. Slovene Information Minister Jelko Kacin told the Associated Press that the blockades at federal army bases had been lifted by the noon (1000 GMT) deadline. He said trucks were transporting the federal tanks — which had encircled Ljubljana's airport — back to their bases. Demobilisation of Slovenia's 68,000-strong territorial defence units was one of seven demands made by Yugoslavia's collective presidency Thursday. Mr. Kacin said the soldiers were returning to their homes. In a separate statement, the Slovenian presidency said it had complied with several other demands in the peace ultimatum issued by Yugoslavia's collective presidency. In what appeared a major policy switch, the Slovenians said they were prepared to negotiate over a demand by the Yugoslav leadership for the return of Slovenia's frontiers to federal control. The republic's presidency said the issue should be negotiated with the help of the European Community. Hundreds of captured federal army conscripts were released Thursday by Slovenia. The Red Cross said Slovenia was holding 2,316 Yugoslav soldiers who surrendered, deserted or were captured in the fighting. Meanwhile, the European Community (EC) froze economic aid and halted all arms sales to Yugoslavia. Dutch Foreign Minister Hans van den Broek said in the Hague. Lieutenant-General Marko Negovanovic, a member of the general staff, said Slovenia continued to blockade many federal barracks, was mobilising its forces near Slovenia's second-largest city Maribor and had violated the ceasefire. He warned the army would respond to every attack with fire.

7 countries seize BCCI assets, halt its operations

LONDON (AP) — Seven countries joined Friday to seize assets and shut down operations of a huge private bank with ties to deposed Panamanian leader Manuel Noriega. The Bank of England cited evidence of widespread fraud going back a number of years for the concerted action against the Bank of Credit and Commerce International (BCCI) S.A., which operates in 69 countries and whose assets are estimated at \$20 billion. Banking authorities in Luxembourg, the Cayman Islands, the United States, Switzerland, Spain, and France also moved against BCCI on Friday, said a Bank of England spokeswoman. Mr. Robin Leigh-Pemberton, governor of the Bank of England, said evidence suggests that BCCI was issuing loans to businessmen without expecting to be repaid or was fabricating the existence of loans. "It is large. It is extensive. It has probably been going on for some time," Mr. Leigh-Pemberton told a news conference. "There was concealment of losses, false accounting and other devices which has been highly deceptive." The bank was ordered to cease its U.S.-registered operations by U.S. authorities earlier this year. On Friday, the Federal Reserve Bank of New York took control of a New York City branch of BCCI S.A. "It's unique as far as we know," said the Bank of England spokeswoman. "So far as we're aware we can't think

of anything that has been as big as far as the number of institutions and the scope." The central bank said it has referred the case to a British prosecuting agency, the Serious Fraud Office. BCCI officials had no comment. Once one of the world's largest private banks, BCCI is registered in Luxembourg and based in Abu Dhabi, the largest of the United Arab Emirates. The bank is controlled by the ruler of Abu Dhabi and president of the UAE, Sheikh Zayed Al Nahayan. Two divisions of BCCI pleaded guilty in the U.S. last year to laundering \$14 million as part of a \$32 million global money-laundering case. Five former BCCI bankers and a Colombian businessman were also convicted of conspiracy and various money-laundering counts. An investigation of BCCI has showed it laundered money for Mr. Noriega, and that one of its officers once served as Mr. Noriega's personal banker, but BCCI was never charged for such activity. Friday's joint action does not affect U.S. banks in which BCCI has controlling interest, First American Bankshares of Washington, D.C. and Independence Bank of Encino, California, the Federal Reserve Board said. First American was known as Financial General Bankshares when it was taken over by Credit and Commerce American Holdings.

Pakistan arrests rebellious Kashmir leader
ISLAMABAD (R) — Pakistani authorities sacked and arrested Pakistan's Kashmir rebel leader Prime Minister Mirza Aslam Khan on Friday. The Pakistan Press International agency quoted Aslam Khan as saying in the Kashmiri capital Muzaffargarh that Mr. Khan was arrested on Friday. "No confirmation was immediately available from Pakistani authorities, who had said they would not arrest Mr. Khan for demanding regional elections last weekend which he said were rigged by Pakistani officials to defeat his party. Mr. Khan's arrest was later confirmed by the 'Azad Kashmir' president's household in Muzaffargarh, the official AFP news agency said. The state's figurehead President Mirza Aslam Khan, who also leads the All Jammu and Kashmir Conference and wants to be the next premier, later left for Islamabad, a member of his staff said. Pakistan's Kashmir Affairs Minister Mahabub Ahmad Khan said earlier in Islamabad it was clear Mr. Khan was trying to create a situation where there could be bloodshed.

Prime Minister Mirza Aslam Khan was arrested on Friday. The Pakistan Press International agency quoted Aslam Khan as saying in the Kashmiri capital Muzaffargarh that Mr. Khan was arrested on Friday. "No confirmation was immediately available from Pakistani authorities, who had said they would not arrest Mr. Khan for demanding regional elections last weekend which he said were rigged by Pakistani officials to defeat his party. Mr. Khan's arrest was later confirmed by the 'Azad Kashmir' president's household in Muzaffargarh, the official AFP news agency said. The state's figurehead President Mirza Aslam Khan, who also leads the All Jammu and Kashmir Conference and wants to be the next premier, later left for Islamabad, a member of his staff said. Pakistan's Kashmir Affairs Minister Mahabub Ahmad Khan said earlier in Islamabad it was clear Mr. Khan was trying to create a situation where there could be bloodshed.

Yilmaz wins spiritual confidence vote
ANKARA (R) — Turkey's new prime minister Mesut Yilmaz won a resounding vote of confidence from parliament Friday, his first test since taking office. The 450-seat chamber had cast 265 votes in favour of Yilmaz 12 days ago and 53 against.

as 'reed Israelis arrive in Lod
OD (AP) — Four young Israelis kidnapped by militants in Nidia last week returned here Friday and were praised for acting "like soldiers in battle" during their six-day ordeal. One of the Israelis, 21-year-old Yair Yitzhaki, was held captive for six days. Three others suffered bullet wounds when militants abducted their group from a greyhound bus in the troubled Indian subcontinent of Kashmir. The Israelis bucked their attackers and seized a high assault rifle. One Israeli and at least one militant were killed in the firefight.

Polisario reshuffles Sahara 'government'
ALGIERS (R) — The Polisario front, which has fought Morocco for 15 years to seek independence, announced a reshuffled "government" Friday. The new statement received by Reuters head in Algiers listed a 13-member administration still headed by Mohamed El-Bachir. Most of the members were drawn from a team appointed on June 20 in the wake of a referendum to give the former Spanish territory a choice between independence or integration with Morocco. The referendum is expected early next year.

Turkish troops kill Kurdish separatist
IYABAKIR, Turkey (R) — A Turkish soldier shot dead a Kurdish separatist and captured him in another Friday, officials said. A provincial authorities said a rebel was killed in a clash between soldiers and a Kurdish Workers' Party group trying to cross the Turkish-Iraqi border. The rest of the group escaped. A second rebel, wanted for several killings in 1989, was arrested near Habur crossing on the Iraqi border. A third rebel was arrested near the town of Sinjar. More than 3,000 people, including civilians have been killed since Kurds in Turkey launched a campaign for independence in 1984.

M. gets OK to build cars in Egypt
PETROIT (AP) — General Motors Corp. (G.M.) will begin an ambitious medium-size cars in Egypt in two years, the automaker said. General Motors is building a new plant in the Egyptian city of Suez. The plant will produce 8,400 trucks and 4,000 cars a year. G.M. said the subsidiary received Egyptian government approval to build cars beginning in 1993 with volume increasing to about 5,000 cars a year by 1998, a small number of vehicles. The type of vehicle hasn't been determined, but it is expected to be about the size of a Pontiac Sunbird in the United States or the Opel Vectra in Europe. There will be a modest \$3 million investment in the Egyptian factory to handle car production, G.M. spokesman John Pekarek said. G.M. holds 31 per cent and manages the responsibility of G.M. Egypt with Isuzu Motors Ltd. holding 20 per cent equity and Arab investors holding the remaining 49 per cent.

Two more held in Gandhi murder
NEW DELHI (AP) — Two more people were arrested Friday in the killing of former Prime Minister Rajiv Gandhi, bringing to 10 the number of people taken into custody. United News of India reported. The 70-year-old man and his teenage girl were arrested in New Delhi, the news agency said. It did not identify them by name.

Iranian demand for uranium stalls agreement with France

PARIS (Agencies) — The last-minute impasse in negotiations to settle a long-standing financial dispute between France and Iran is reportedly due to an Iranian demand for enriched uranium as part of the deal, according to French press reports.

The two countries were on the verge of signing an accord on Wednesday, but the Iranian demand quashed hopes of an immediate settlement, the respected newspaper Le Monde reported Thursday.

Foreign Minister Ali Akbar Velayati flew back to Tehran Thursday empty-handed. He had arrived here Tuesday to sign the agreement settling the billion-dollar-plus dispute, which dates to the 1979 Iranian revolution.

Negotiators have worked since then to come to terms with Iran's demand for reimbursement plus back interest of a \$1 billion loan made in 1974 to France for a 10 per cent share in the consortium Eurodif which supplies enriched uranium. French companies have, in turn, demanded compensation for contracts unilaterally cancelled after the Iranian revolution.

Foreign Ministry officials have said there was one sticking point

holding up the accord. Le Monde said that point was Iran's sudden demand for enriched uranium and a role in Eurodif, which France rejects.

The demand was all the more surprising because Iran does not have functioning nuclear reactors in which to use enriched uranium. Le Monde reported. The Islamic Republic cancelled plans by toppled Shah Mohammad Reza Pahlavi to develop a nuclear programme.

The demand transformed what has been an economic imbroglio into a political problem.

The left-wing newspaper Liberation quoted a negotiator denying that the Iranian demand was at the source of the impasse, without clearly denying that the demand had been made.

"The Iranians feel that Eurodif has asked for too many guarantees, and it is over that there is a blockage," Liberation quoted the unidentified negotiator as saying.

The signing of the accord is to be the final step in a process of normalising relations at all levels. It is expected to provide a green light for large-scale French participation in Iran's reconstruction following the Iran-Iraq war.

French Foreign Ministry spokesman Daniel Bernard told journalists Thursday that only one problem — "a grain of sand" — remained to be resolved in the dispute.

He declined to say what the problem was.

"This situation presents a political problem... at a time when France has just announced its intention to sign the International Nuclear Non-Proliferation Treaty," Les Echos said.

Mr. Velayati said Wednesday there were "technical problems" in the way of a final accord, but no major obstacles.

On Wednesday President Francois Mitterrand accepted an invitation from President Ali Akbar Hashemi Rafsanjani to visit Iran before the end of the year, French officials said.

Mr. Mitterrand would be the first Western head of state, apart from Austrian President Kurt Waldheim, to pay an official visit to Tehran since the Islamic revolution, opening the way to a return visit by Mr. Rafsanjani.

The dispute and lack of an agreement will not interfere with Mr. Mitterrand's plans to visit Iran, officials said.

Text of Arafat's assurances to Nathan

TUNIS (R) — Following are excerpts from Palestine Liberation Organisation (PLO) Chairman Yasser Arafat's written answers to questions by Israeli peace activist Abie Nathan.

Mr. Nathan released the text, in English and Arabic, after their talks in Tunis Thursday night.

Direct negotiations with Israel: "... We are ready to establish direct talks without preconditions with the government of Israel..."

Violence: "When the negotiations between the government of Israel and the representatives of the PLO start, we will do whatever is in our capacity to prevent acts of violence which might be committed by Palestinian elements during the said period of negotiations. We expect the Israeli government to make the same commitment."

Palestinian charter on Israel: "Before signing the final peace agreement between the government of Israel and the PLO, the two parties declare their readiness to cancel and or to change all clauses in their basic political and constitutional documents that may be offensive or threaten the security of Israel and the State of Palestine..."

PLO representation: "... As we are a democratic society, we are ready to hold a U.N.-sponsored referendum in the occupied territories and wherever the Palestinians reside... we accept whatever this people in and outside the occupied territories



Yasser Arafat



Abie Nathan

decides."

Demilitarisation of the Palestinian state: "We are ready to accept collective arrangements to guarantee the security of Israel and the state of Palestine."

U.S. and Soviet role: "... They can guarantee the sovereignty and integrity of the recognised and agreed boundaries of both the state of Israel and the Palestinian state..."

Role of West Bank and Gaza residents in the peace process: "They have a natural right to participate in the decision-making process on the future of the Palestinian people and their state."

Palestinian autonomy before full statehood: "There are many suggested solutions. But the basis of success will depend on the willingness of the parties to negotiate sincerely to arrive at peace and to establish our

Palestinian state."

Israelis in the Palestinian state: "We will treat this point in a humane manner during the negotiations."

Authority over water supplies: "We will cooperate... I know that this vital issue for all parties will be fundamental in the peace negotiations and form part of the peace agreements."

Expectations from Israel: "Territory for peace... Recognise right of self-determination and independence for Palestinians... Release of Palestinian prisoners and detainees... Reopen all universities... End to deportations... Annual all laws which criminalise meetings between Israelis and Palestinians... Stop settlements."

Cooperation between Palestinian and Israeli states: "... As the Israelis say 'If you will it, it will not be a dream.'

MIDDLE EAST NEWS IN BRIEF

Iraqi team in Turkey for pipeline talk

ANKARA (R) — An Iraqi delegation headed by Oil Minister Under Secretary Taha Hammoud is in Turkey for talks on an Iraqi oil pipeline shut down during the Gulf crisis, the Anatolian news agency said Friday. Mr. Hammoud will also discuss compensation for Turkey's losses from the crisis, estimated at \$6.6 billion, Mr. Anatolian said, but gave no details. Before its invasion of Kuwait last August, Iraq was one of Turkey's main trading partners. Turkey has said the pipeline which can carry 1.6 million barrels of crude oil per day, will not be reopened unless United Nations trade sanctions against Iraq are lifted. Mr. Hammoud quoted Turkish government officials saying the talks might also cover a new export credit line for Iraq. Turkey sold \$5 million worth of food to Iraq last month. Essential items are exempt from the U.N. embargo. The Iraq News Agency said Iraq was eager to restore normal ties with Turkey but the first move had to come from Ankara.

Woman to challenge Peres, Rabin

TEL AVIV (AP) — Ms. Ora Nami, the Labour Party's woman legislator, has announced she will seek the party leadership, challenging traditional rivals Mr. Shimon Peres and Mr. Yitzhak Rabin. Ms. Nami, 61, told Israel radio Friday it was time for the centre-left party to put aside the long-running feud for power between the two former prime ministers. "I think the struggle between Mr. Yitzhak Rabin and Mr. Shimon Peres for the last 17 years has damaged... the Labour Party," she said. "I think we must take far better care of our party." Ms. Nami's announcement came two days after Mr. Rabin said he would again seek to unseat Mr. Peres as party leader. He has tried to replace the post since 1977, when he resigned as prime minister amid scandal over an illegal bank account held by his wife, Ms. Nami, who heads the parliament's labour and social affairs committee. She will face an uphill struggle for Labour's leadership. In Israel, each party's members are ranked by number. Although Ms. Nami is Labour's top woman legislator, she is only number eight in the party's list.

Switzerland refuses entry to dissident Moroccan

BERNE (R) — Dissident Moroccan writer Abdelmeoum Diouri, who has written a book detailing the wealth of King Hassan, has been refused entry into Switzerland, the Swiss Justice Ministry said Thursday. A lawyer for Mr. Diouri, expelled from France to Gabon last month, said last week he had applied on his behalf for permanent residence in Switzerland. Justice ministry spokesman Jurg Kistler said the reason given for the refusal was the fact that there were no links between Mr. Diouri and Switzerland. He also cited security considerations. Mr. Diouri, a resident of France for 17 years, was expelled to Gabon June 20 as he was about to publish his book describing the personal fortune of his country's sovereign. The French government said he had made contacts with the Iraqi and Libyan secret services, in breach of his political refugee status. In France, Mr. Diouri's publisher said vandals had broken into one of his Paris bookshops, damaging equipment and stealing documents. Denis Fryen, director of editions L'Harmattan, said in a statement it was not clear if the break-in was connected with the coming book, which he has vowed to print despite being told by the French government not to bring it out in France.

Translator of "The Satanic Verses" attacked

MILAN (R) — The Italian translator of the novel "The Satanic Verses", whose British author Salman Rushdie is under an Iranian death threat for alleged blasphemy against Islam, was knifed in his Milan flat Wednesday. Mr. Ettore Capriolo, 61, suffered cuts to the neck, arms and chest and was also kicked and beaten on the head by a man who said he was an Iranian, police said. Mr. Capriolo was taken to hospital and was expected to recover within 20 days. His attacker fled. Police said the man telephoned Mr. Capriolo 10 days ago, told him he was an Iranian and made an appointment to discuss a translation project. Indian-born Rushdie, 43, went into hiding more than two years ago after Iran's Revolutionary Leader, Ayatollah Ruhollah Khomeini, told Muslims to kill him for blasphemy in his novel. Mr. Capriolo, who translated the book in 1989 for the Mondadori Publishing House, was given police protection for several months last year after receiving threats from Islamic fundamentalists. In May, Mr. Rushdie rejected fresh calls to withdraw his novel, saying this would refuel controversy. He said it would also make every Muslim in Britain guilty of censorship by intimidation.

Solar supplier laying off workers in Israel

TEL AVIV (R) — Luz International, by far the world's leading supplier of solar electricity, said Friday it was preparing to lay off 600 workers in the United States and Israel, more than half its workforce. Gabi Kenan, deputy director-general of the Israeli subsidiary, said the U.S.-based firm was forced to lay off 250 employees in California and put 350 in Israel on one-month's notice when it was refused an extension on loans. The creditors fear Luz will not be able to complete a southern California plant by the end of the year — when state tax credits given companies that minimise reliance on fossil fuels will expire. Mr. Kenan said, "We thought we could finish the plant by year's end. We've been in long, cozy negotiations with our creditors and now suddenly they've turned on us." Luz's only client is the southern California Edison Company, for which it provides one per cent of the electric load. This is more than 90 per cent of the world's solar electricity production. Luz, which runs nine solar energy plants in southern California, has been building its 10th plant. The Israeli subsidiary makes solar generating equipment for installation at the California plants. The company made profits from 1987 to 1989 but has lost money since, Mr. Kenan said. "If the real price of oil is not increasing, it is very difficult to finance solar plants."

Israelis rescue released researchers

TEL AVIV (AP) — Israeli helicopters rescued a U.S.-sponsored team of researchers from a sinking boat in the Gulf of Aqaba Friday, a day after they were freed from detention in a legal scrape with Egyptian authorities.

An Israeli army spokesman said helicopters flew to the research vessel "Sue Allen" and evacuated the 13 researchers to the Israeli port of Eilat. There were no reports of injuries.

One of the rescued researchers, Yehuda Benayahu, told Israel's army radio station that they called for help after the boat's engines stopped and they began drifting in stormy seas.

"The engine room was flooded... and the boat started rocking from side to side," he said. "The waves were very high and we all put on life vests and were prepared to jump overboard."

"The instrument panel began smoking and it seems all the wires were burnt," he said. "Then the helicopters arrived and began evacuating us."

"It was not a very pleasant situation," he added.

'Nothing can stop' U.S., Bush says

GRAND RAPIDS, Michigan (Agencies) — President George Bush Thursday joined U.S. independence day festivities that marked the Gulf war victory over Iraq and said the tributes indicated a revived American patriotic spirit.

Basking in a wave of nationalist fervour, Mr. Bush said the U.S.-led victory proved to the world that the United States could prevail over any foe.

"If we didn't know it before Desert Storm, we know it now: nothing can stop us," said Mr. Bush, who called the United States "a land respected and revered by the rest of the world."

He and his wife Barbara joined about 100,000 people at a parade commemorating July 4, the day the United States declared its independence from Britain in 1776. Grand Rapids and earlier in the small town of Marshfield, Missouri.

"We aren't here to glorify war... we're here to honour our war... and the people who supported them through long nights and tense days," said Mr. Bush.

Mr. Bush refrained from turning his speeches into attacks on Iraqi President Saddam Hussein but he told reporters he would

seek a firm U.N. response to the latest showdown with Baghdad over possible ceasefire violations.

When asked if he wanted a tough U.N. response to Baghdad's position, Mr. Bush replied: "Yes."

Mr. Bush has suggested the United States might launch military strikes against Iraq if it failed to permit U.N. teams to inspect sites suspected of having equipment that could be used for developing nuclear weapons.

Under the U.N. ceasefire agreement, Iraq must destroy all weapons of mass destruction and its ability to develop them.

On Wednesday, Mr. Bush presented prestigious medals to his top Gulf war generals and advisers.

At a White House awards ceremony attended by ambassadors from several countries that sent troops to the Gulf, Mr. Bush first gave the presidential medal of freedom to generals Norman Schwarzkopf and Colin Powell.

Mrs. Bush helped with the presentations, borrowing her husband's eyeglasses to see better as she fastened the gold, blue and white decorations on the two military officers.

Lack of funds hampers U.N. environmental efforts in Kuwait

GENEVA (R) — United Nations efforts to assess the extent of environmental damage inflicted on Kuwait by the Gulf war have been seriously hampered by lack of funding, a senior U.N. expert said Friday.

"We can't do anything without money," said Peter Schroeder, chairman of an Inter-Agency team set up in February to handle the ecological and health consequences of the world's largest ever oil slick.

U.S.-led allied forces in the Gulf war accused Iraq of deliberately causing the slick by setting fire to Kuwaiti oil wells. Iraq denied the charge.

Turkey appears ready to approve allied force

ANKARA (R) — Turkey appears ready to accept proposals to base an allied rapid reaction force in the south east of the country to protect Kurds in northern Iraq.

Foreign Ministry spokesman Murat Sungur said Prime Minister Mesut Yilmaz's government had a "positive attitude" to Turkey taking part in the force, but the matter was still being studied.

"It is not proposed that the Turkish force to take part in the international force would be involved in any cross-border operation," Mr. Sungur said in a statement late Thursday night.

But he added: "Our contingency force would be only on duty in case possible incidents spread into our territory."

Several weeks ago, the United States and its allies asked Ankara if an international battalion could be deployed in Turkey near the Iraqi border when allied forces were withdrawn from northern Iraq.

Turkey's answer has been delayed, partly by a change of government and partly because the issue of foreign troops on Turkish soil was a political hot potato.

The new government under Mr. Yilmaz was to face a parliamentary confidence vote later Friday.

Mr. Sungur said the force would be a "measure to fill the gap after the coalition forces deployed in northern Iraq have withdrawn."

Only 3,600 allied troops remain in northern Iraq to protect over half a million Kurds who returned after fleeing to the Turkish border after a short-lived rebellion against the government in March.

Kuwait defence minister sees 'sabotage' threat

KUWAIT CITY (AP) — Kuwait's defence minister said in an interview published Friday that there had been minor shooting incidents along the border with Iraq, but the main threat came from sabotage.

Sheikh Ali Sabah Al Salem Al Sabah, in a wide-ranging interview with the government-backed newspaper Sawt Al Kuwait published in London, said many Kuwaiti officers have been asked to retire and that the new military would include women.

Sheikh Ali defended the military leadership's decision to flee in the face of the Iraqi invasion last August, and said steadfast Arabs who fought to defend Kuwait might be granted citizenship.

The minister did not give details of the shooting incidents but described them as "not threatening."

He said the danger from the Iraqi military did not necessarily come from troops positioned near the border but from its sheer size and Iraq "threats" to resort to

sabotage.

The minister said not only Iraq, but two other Arab groups that he did not identify had threatened to attack Kuwaiti interests both inside and outside the country.

"The fifth column is still inside Kuwait," Sheikh Ali said.

To counter this threat Gulf Cooperation Council (GCC) countries and Egypt and Syria will meet Tuesday to work out the final details of a security agreement, he said.

The initial accord reached in March crumbled, reportedly over Egyptian and Syrian pique at Kuwait's obvious preference for Western forces.

The new agreement is expected to be on a much reduced scale, with just 7,000 Arab troops stationed in the country.

Most of the 3,700 U.S. soldiers here are scheduled to leave Sept. 1, but the U.S. military still has extensive forces in the region.

Sheikh Ali said the GCC coun-

tries — Kuwait, Saudi Arabia, Qatar, Bahrain, the United Arab Emirates and Oman — should coordinate weapons purchases and improve ties with Iran for their own security.

The minister said the arms purchases started while the government was in exile in Taif, Saudi Arabia, will continue with a strong emphasis on high-tech weapons, which will mean an extended reliance on outside help.

Sheikh Ali said more women than men had responded to the call for volunteers to join the military. He said the women would be trained for up to six months and probably allowed into the military eventually, but for the moment remain without ranks.

He said officers that had served in the military for over 20 years would be asked to retire to give a chance to others. He said it did not mean a "lack of efficiency" but a need for new blood.

About 300 officers from the army and about a dozen of the top air force officers have submitted petitions to the government demanding that the top leadership be removed for the chaos and quick collapse of the Kuwaiti military during Iraq's invasion.

"The Kuwaiti army is ready to defend the country against any attack but that does not mean that it will succeed in doing that," said Sheikh Ali.

He contended that if the Kuwaiti army had put up more of a fight Iraq might have turned the country into a chemical wasteland.

The minister said stateless Arabs who worked to defend Kuwait would be allowed to return to the emirate and might be given citizenship. Citizens of other nations who served in the resistance or had family members killed might also get Kuwait passports, he said.

The minister accused Iraq of "double-crossing" Kuwait by not returning all prisoners of war.

Iraqi war dead could reach up to 250,000

AMMAN (J.T.) — As many as 250,000 Iraqis may have died during the Gulf war and the subsequent internal uprisings by the country's Kurds and Shiites, Iraqi officials told a privately-organised French delegation which recently visited Iraq to assess war losses. The Council for the Advancement of Arab-British Understanding (CAABU) reported.

"The Iraqi government is clearly trying to minimise losses, but the figures given to us were between 35,000 and 45,000 civilians and between 85,000 and 110,000 soldiers were killed in the Gulf war," Dominique Tricaud, a lawyer, told a press conference in Paris last month, a CAABU bulletin said.

"The authorities were even vaguer when it came to the civil war which followed," he continued, "but the figures given for those killed, most of them in southern Iraq and the overwhelming majority of them civilians, ranged from 25,000 to 100,000."

Mr. Tricaud noted that there was "a conspiracy of silence in Iraq about the war, but the figures we have come from several sources independent of each other and appear credible."

He said that the delegation, whose members opposed France's involvement in the war, was the first of its kind to have been allowed into Iraq, and that it had travelled throughout the country.

Another delegation member, Professor Douceline Bonvallet, who investigated the medical consequences of the conflict, warned that the death toll would rise sharply this summer as the result of epidemics stemming from the destruction of water treatment and supply systems.

JORDAN TELEVISION
Tel: 77311-19

PROGRAMME TWO
18:00 Wimbledon women's finals
18:00 Children's programme
18:30 Documentary
19:00 News in French
19:15 Carnet de Notes
19:30 News in Arabic
20:30 The Bill Cosby Show
21:00 Encounter
22:00 News in English
22:30 Feature film: "Murder, Time Seven"

PRAYER TIMES
03:50 Fajr (Sunrise) Doha
12:40 Dhuhr
16:21 Asr
19:50 Maghrib
21:24 Isha

CHURCHES
St. Mary of Nazareth Church Swedish, Tel. 810740
Assemblies of God Church, Tel. 637765
St. Joseph Church Tel. 624590
Church of the Assumption Tel. 637440
De la Salle Church Tel. 661757
Terrasanta Church Tel. 622666
Church of the Assumption Tel. 623541
Augustine Church Tel. 625383, Tel. 628543
Armenian Catholic Church Tel. 771331
Armenian Orthodox Church Tel. 772551
St. Ephraim Church Tel. 771751
Assam International Church Tel. 665326
Evangelical Lutheran Church Tel. 611295
The Church of Jesus Christ of Latter-Day Saints Tel. 628524, 646882
Church of Nazareth Tel. 675691

WEATHER
Amman Min./max. temp. 15 / 27
Aqaba 21 / 33
Djerba 18 / 32
Jordan Valley 20 / 32

JORDAN TIMES DAILY GUIDE AND CALENDAR

USEFUL TELEPHONE NUMBERS

NIGHT DUTY
AMMAN:
Dr. Abdul Aziz Taboun 783708
Dr. Abdul Rahman Jabir 777059
Dr. Khalid Klob 826919
Dr. Saad Abu Hatab 649846
Fina pharmacy 661912
Ferdous pharmacy 778336
Al Asema pharmacy 637055
Nairoukh pharmacy 623672
Al Salam pharmacy 636730
Yacoub pharmacy 644945
Shmeisani pharmacy 637660

REID:
Dr. Muhammad Khalil (—)
Al Sharaa pharmacy (275825)

ZARQA:
Dr. Jihad Masleh (—)
Khalifeh pharmacy 985417

EMERGENCIES
Food Control Centre 637111

Civil Defence Department 661111
Civil Defence Immediate Rescue 630341
Civil Defence Emergency 199
Rescue Police 192, 621111, 637777
Fire Brigade 891228
Blood Bank 775121
Highway Police 943402
Traffic Police 990390
Public Security Department 63021
Hotel Complaints 605800
Price Complaints 661176
Water and Sewerage 672779
Complaints 897467
Amman Municipality 664146
Complaints 787111
Telephone Information (directory assistance) 121
Overseas Calls 010230
Central Amman Telephone 623101
Abdali Telephone Repairs 661101
Jordan Television 773111
Radio Jordan 774111
Water Authority 680100
Jordan Electricity Authority 815615
Electric Power Company 636381
RJ Flight Information 68-5330
Queen Alia Int. Airport 08-32328

HOSPITALS
AMMAN:
Husseini Medical Centre 813813/32
Khalifeh Maternity, J. Amn 642416
Khalifeh Maternity, J. Amn 642412
Jabal Amman Maternity 642362
Malha, J. Amman 636140
Palestine Shmeisani 664171/4
Shmeisani Hospital 669131
University Hospital 645845
Al-Mushar Hospital 672779
The Islamic, Abdali 666127/37
Al-Ahli, Abdali 664146
Italian, Al-Mushar 777101/2
Al-Bashir, J. Ashrafieh 775111/26
Army, Marka 891611/15
Queco Alia Hospital 602240/50
Amal Hospital 674135
ZARQA:
Zarga Govt. Hospital (09)983323
Zarga National Hospital (09)991071
Ibn Sina Hospital (09)980732
JBID:
Princess Basma Hospital (02)225555
Greek Catholic Hospital (02)222725
Ibn Al Nafies Hospital (02)247102
AQABA:
Princess Haya Hospital (03)314111

FOR THE TRAVELLER
QUEEN ALIA INTERNATIONAL AIRPORT

ARRIVALS
Royal Jordanian (RJ) Flights (Terminal 1)
06:30 Singapore, Kuala Lumpur (RJ)
10:00 Damascus (RJ)
10:00 New Delhi (RJ)
10:00 Jeddah (RJ)
10:00 Dhahran (RJ)
10:45 Karachi, Dubai (RJ)
11:15 Alm Dhabi, Doha (RJ)
11:30 Beirut (RJ)
17:30 London (RJ)
18:00 Cairo (RJ)
18:30 Tripoli (RJ)
19:25 Frankfurt, Vienna (RJ)
Other Flights (Terminal 2)
11:00 Beirut (ME)
12:00 Sanaa (YV)
14:00 Cairo (MS)
23:30 Paris (AF)

DEPARTURES
Royal Jordanian (RJ) Flights (Terminal 1)
07:30 Beirut (RJ)
10:00 Tripoli (RJ)
10:00 Damascus (RJ)
10:00 Jeddah (RJ)
10:00 Dhahran (RJ)
10:45 Karachi, Dubai (RJ)
11:15 Alm Dhabi, Doha (RJ)
11:30 Beirut (RJ)
17:30 London (RJ)
18:00 Cairo (RJ)
18:30 Tripoli (RJ)
19:25 Frankfurt, Vienna (RJ)
Other Flights (Terminal 2)
11:00 Beirut (ME)
12:00 Sanaa (YV)
14:00 Cairo (MS)
23:30 Paris (AF)

MARKET PRICES
Upper/lower price in Jds per kg.
Apple 680 / 300

MARKET PRICES
Upper/lower price in Jds per kg.
Apple 680 / 300

MARKET PRICES
Upper/lower price in Jds per kg.
Apple 680 / 300

Petra Bank defendants' assets ordered confiscated

By P.V. Vivekanand
Jordan Times Staff Reporter

AMMAN — Assets owned by some of the key defendants in the Petra Bank case have been ordered to be confiscated by the committee in charge of liquidating the bank, sources close to the committee said.

The sources could not give any estimated figure of the value of the assets ordered seized, but they confirmed that real estate and company shares owned by former Petra Bank Chairman and General Manager Ahmad Al Chalabi and several of his brothers and family members as well as several senior officials of the Chalabi administration of the bank would be confiscated.

"The confiscation order came after some of the Chalabi family members responded to summons to appear before the liquidation committee," said one of the sources. "There is enough and more evidence to prove that they were direct as well as indirect beneficiaries of clandestine deals conducted by Petra Bank," added the source, speaking on condition of anonymity.

A sprawling mansion owned by Mr. Chalabi, who is being tried in absentia along with other defendants by the Military Court, is among the assets seized by the committee, another source said. The building, constructed with direct financing from Petra Bank, is

estimated to have a market value of JD 2 million.

The Military Court itself has issued orders for the seizure of the property in real estate and other assets of some of the Petra Bank case defendants, whose whereabouts, in a strictly legal sense, were unknown.

The cases involve charges of embezzlement of depositors' funds and speculation with the Jordanian currency and share.

Property and stocks owned by Hassan Abdul Aziz, who served in the Chalabi management of Petra Bank as well as the Jordan Gulf Bank (for a short period), have also been seized, the source said. Mr. Abdul Aziz is among those tried in court in Jordan.

Mr. Chalabi, an Iraqi-born banker, left Jordan in August 1989, a few days after the Economic Security Committee (ESC) ordered the take-over of the financially troubled Petra Bank as well as the Jordan Gulf Bank. The committee originally sought to merge the two, but the situation at Petra Bank did not permit such a merger.

Several close confidants of Mr. Chalabi managed to flee the country before the cases could be brought to court and formal charges could be filed against them.

The government is in touch with Interpol and foreign countries seeking the extradition of those tried in absentia, but

officials doubt whether the efforts would succeed in view of the influence that the defendants exert in their host countries.

Meanwhile, a special committee is investigating the affairs of the Jordan Gulf Bank with a view to "determining the exact status of its affairs and who did what in the bank," a source told the Jordan Times.

"It is too early to make any comment," added the source. The ESC annulled its order to merge Petra Bank and the Jordan Gulf Bank and placed Petra Bank under liquidation in April last year.

While the Petra liquidation process is continuing, the Jordan Gulf Bank continues to function normally. It has about 20 branches in Jordan, with 500 employees.

Banking experts estimate the losses incurred by the Jordan Gulf Bank at around JD 400 million, compared to JD 300 million or more in the case of Petra Bank.

"Many ideas and proposals have been floated to ensure that the Jordan Gulf Bank continues to survive," said a banking official. "These include merger with one or more other banks or turning the bank into a specialised institution," said the official.

"But, as things stand now, the future of the Jordan Gulf Bank depends on the findings of the committee investigating its affairs."

King congratulates Venezuela, U.S.

AMMAN (Petra) — His Majesty King Hussein Friday sent a cable to President of Venezuela Carlos Andres Perez congratulating him on his country's independence and wishing him and the people of Venezuela continued progress and prosperity.

On Thursday, the King sent a congratulatory cable to the United States President George Bush on his country's independence day.

The King voiced hope that the declared U.S. commitment to establish a just and durable peace in the region, through solving the Arab-Israeli conflict and the Palestine problem, could draw closer Jordan's and U.S. perceptions of the issue of peace.

The King said: "Your assurance of the U.S. commitment to implement international legitimacy and to adhere to the U.N. Security Council resolutions enhances our conviction that peace would prevail in the region."

National Music Conservatory organises courses

AMMAN (J.T.) — The National Music Conservatory Noor Al Hussein Foundation is organising short music courses in playing instrument, singing and movement, as well as two series of comprehensive training courses for teachers of nurseries, kindergartens and primary schools.

A total of 16 four-week courses will include introductory and advanced lessons in string and wind instruments, oud playing, fundamentals of singing, folk dancing, ballet, and rhythmic movements.

The other four courses will concentrate over a period of 15 working days on music reading according to Kodaly's method and Orff's principles in music education, application of percussion instruments in music education, and music activities for nursery and kindergarten teachers.

The National Music Conservatory will launch on Aug. 3 the fourth summer music camp for children aged 4-15 years. Its aim is to discover children's musical aptitude and develop their musical skills.

Activities of the two-week camp will include music reading, writing and ear training, playing simple percussion instruments and the recorder. The children will also be introduced to music instruments through films and live performances.

NHF starts drama course for children

AMMAN (J.T.) — The Theatre-in-Education today Project of the Noor Al Hussein Foundation (NHF) starts today a summer course in creative drama for children aged 6-13 years. The six-week course aims at encouraging and developing the participant's creative abilities.

The course consists of creative drama games, improvisation, rhythm and creative movement, story telling and role playing, creative dance, and puppet theatre. By the end of the course the participants will present some of their newly-acquired skills in the presence of their parents, relatives and friends.

It is known that the Theatre-in-Education Project, which the foundation started in 1987, was launched to promote the dramatic arts in Jordan and to expand children's learning opportunities through the creative medium of drama.

GUVS donates JD64,900 to charities

AMMAN (Petra) — The executive board of the General Union of Voluntary Societies (GUVS) has decided to distribute JD64,900 to charitable societies in governorates to help them carry out their programmes and projects.

Government adopts five-point plan tackling unemployment

AMMAN (J.T.) — The government is adopting a five-point plan that will deal with the problem of unemployment in the Kingdom and will encourage income-generating projects that can increase production and offer jobs to as many Jordanians as possible, according to Minister of Labour Abdul Karim Al Dughmi.

The plan is to be implemented because of the rising number of unemployed citizens, which now stands at nearly 106,000 or about 16.8 per cent of the total Jordanian workforce, the minister said in a statement to the Al Ra'i and the Jordan Times.

In the government's view, the following points should be

adopted:

- Giving full support to the present policy of employment which aims at substituting foreign labourers with local workers, types of incentives.

- The minister also said that the government should find means of ensuring an increase in investments and adapting education and vocational training to meet the needs of the local market if the process is to be successful in the long term.

- The minister said that out of the 106,000 estimated job-seekers, 60,000 were registered as seeking employment from the Civil Service Commission (CSC) and the Labour Ministry. He said that 30,000 of the job-seekers

were Jordanian expatriates who have just returned from the Gulf in the aftermath of the Gulf war.

In its drive to find solutions for the unemployment problem, the minister said the government was keen on maintaining the production process and ensuring markets for Jordan's products here and abroad.

especially as more unemployed people are arriving here from Kuwait and other Gulf states.

- Supporting the programmes undertaken by the Vocational Training Corporation (VTC) which aim at qualifying people for various trades and providing the market with a sufficient number of skilled people able to

handle any type of job. This policy can be followed in cooperation with various employers and public and private organisations in the country.

- Providing the Ministry of Labour and its various branches with able and skilled personnel to handle the growing responsibilities.

- Giving all possible backing to a special fund for development and employment which was initiated by the former government. This project is designed to enable people to engineer their own income-generating projects.

- Providing government support for all production schemes that can employ as many people as possible and giving investors all

Ministry pledges to address unemployment, poverty

AMMAN (Petra) — The Ministry of Social Development will direct most of its attention to tackling the problems of unemployment and poverty in Jordan, according to Minister of Social Development Awai Al Bashir.

"Poverty and unemployment are chronic issues plaguing the Jordanian society and the ministry will have to find a way for stimulating proper social and voluntary work to meet the needs

of the poor, a process which requires putting the concept of social solidarity into practice," the minister said at a meeting by the ministry's Planning Committee.

At the meeting, Dr. Bashir was briefed by the committee members on various tasks entrusted to their departments.

On Thursday the minister opened at Al Manar Social Education School a training course for women teachers of handicapped

children and urged the participants to exert their best efforts to serve the less fortunate.

He said that there was a great need for Jordan to give due care to the handicapped to enable them to become self-supportive

and useful members of the community.

Al Manar Special Education School, which was established in Amman in 1990, offers special education to 200 mentally retarded boys and girls.

Camps organised for expatriate Jordanian youth

AMMAN (Petra) — The Ministry of Youth is organising separate gatherings for male and female Jordanian youth living abroad in the coming month. It also has prepared a comprehensive programme for the participants designed to foster their sense of belonging to the country and the Arab Nation.

The announcement was made by Mr. Yahya Khawaldeh, director of national guidance at the Ministry of Youth, who is directly supervising the implementation of the programme.

Mr. Khawaldeh said that the gathering, to be held at the permanent youth camp in Ajloun, would be attended by 60 girls who would take part in seminars on cultural and political matters.

They would also tour various tourist and archaeological areas and other places of interest as well as economic centres and industrial projects.

The group will spend at least six days to the camp.

British envoy makes a gift of books to NRA

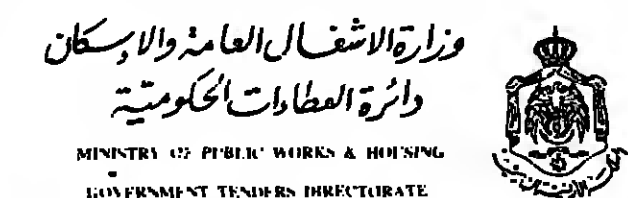
AMMAN (J.T.) — The newly-appointed British Ambassador to Jordan has made a donation of books valued at JD 2,300 to the Natural Resources Authority (NRA) from the British government. Mr. Patrick Evers was a guest of the Natural Resources Authority which he presented with 79 advanced modern textbooks on the subjects of geology, geophysics and computing.

The British Council has been responsible for administering the books purchases on behalf of the British Overseas Development Authority.

In another project, a British

government programme of assistance to the National Geological Mapping Project, a division of the Natural Resources Authority, has produced 22 geological maps and 11 explanatory bulletins by Jordanians.

The programme has been in effect since 1984. British support has also been given to the Natural Resources Authority for 'designing and equipping of modern Cartographic Office and a Mechanical Workshop. Support has been extended for the establishment of a Geological Museum and for studies of the Subsurface Geology and Geothermal Resources of Jordan.



Central Tenders Re-announcement For Tender No. (21/91) concerning the completion of the construction of Zaza-Ghor Haditha Road Project

Contractors from the following categories are invited to participate in this bid:

- Local contractors classified in the field of road construction classification grade A.
- Arab contractors.
- Foreign contractors having projects in Jordan.
- Foreign contractors from abroad under the condition of forming joint venture with Jordanian contractors.

Those interested are requested to purchase tender documents from the government Tenders Directorate/Ministry of Public Works and Housing starting on 6/7/1991 according to the following:

1. Project Description:-

The project is a 32 kms two-lane main road linking Ghor Haditha with Zaza along the eastern coast of the Dead Sea, and comprises two sections:-

SECTION (A):

Between the Project 0+00 station at Ghor Haditha and km 16+165 mainly comprising the execution of 100,000 cubic metres excavation out of which 93,000 cubic metres to be used for fill; the work also comprises 170,000 cubic metres of borrowed fill, 70,000 cubic metres of base, 19,000 cubic metres of bituminous concrete pavement and 5,000 cubic metres of concrete for culverts and protection works in addition to other miscellaneous works as detailed in the tender documents.

SECTION (B):

Between km 16+65 and the end of the project at km 31+540 Zaza village, mainly comprising the execution of 1.1 million cubic metres of excavations, out of which 560,000 cubic metres to be used for fill. The work also comprises 93,000 cubic metres of base, 18,000 cubic metres of bituminous concrete and 17,000 cubic metres concrete for culverts, retaining walls and protection works, in addition to other miscellaneous works as detailed in the tender documents.

2. CONTRACTOR'S POST QUALIFICATION:-

First grade roads local contractors Arab and foreign companies and joint ventures bidding for the project will be qualified according to their technical and financial ability, experience in highway and bridges construction, size of workload and level of previous performance.

3. SUBMITTAL AND EVALUATION OF OFFERS:-

- Bidders must submit their offers in two separate envelopes, one marked Technical Proposal, comprising the qualification data, and the other marked Financial Proposal.
- A number of contractors will be qualified for the project based on their Technical Proposal. The financial proposals of the qualified bidders will be opened, the rest of the financial proposals will be returned unopened.

4. ALTERNATIVES & CHOICES:-

The contract's B.O.Q. comprises three separate bills for Sections "A" Section "B" and Section "A&B". Bidders should submit a bid price and complete the B.O.Q. of project as one unit (A+B) for two execution alternatives for completion of the works. Pricing sections A,B separately will not be required.

ALTERNATIVE 1:

Without using the mobile existing site equipment belonging to the previous contractor (Trocon, Losinger & Enka).

ALTERNATIVE 2:

Using the existing on site previous contractor's (TLE) forfeited equipment. In both alternatives certain stationed equipment and preparation works shall be used as detailed in the tender documents and the relevant Appendix.

5. Alternative 1 must be priced and the Central Tenders Committee reserves the right of rejecting offers not fulfilling this condition and in awarding the project choosing any of the two execution alternatives.

6. Tenderers shall respect 1985 Conditions of Contract as indicated in the Tender Documents and are requested to reflect applying 1989 Conditions of Contract as percentage on their prices at the discretion of the MPWH.

7. Cost of the Tender Documents is a non-refundable sum of JD 500 for the first copy and JD 150 for extra copy.

8. Last date for purchase of Tender Document on 25/7/1991.

9. A site visit will be arranged within two weeks.

10. Work load will be considered in awarding.

11. Financial offers shall be submitted to Government Tenders Directorate before 13:30 local time on 24/8/1991.

Chairman, Central Tenders Committee,
Director, Government Tenders Directorate
Eng. Basheer Al Jaghbeer

RJ considers privatisation

By Ghadeer Taher
Special to the Jordan Times

AMMAN — The government is considering a plan to privatise Royal Jordanian (RJ) with the help of the governments of Oman and Brunei and international institutions, sources close to the national carrier said Wednesday.

The sources said RJ had already received \$20 million from Brunei, which has also pledged an additional \$35 million, as loans that could be transformed into shares if and when the airline is privatised.

They said the plan envisages 51 per cent Jordanian ownership with seven to eight per cent government ownership with the remainder in foreign investment.

If the airline is turned into a public-share holding company, sources said, it will be split into various companies, including flight services, catering and the duty free shop at the Queen Alia Airport. RJ, which has an estimated \$250 million debt, is renting out three of its leased planes in an effort to cover its

losses, exacerbated by the Gulf crisis, and reduce expenditures. It has also reached agreement with a consortium of predominantly European banks to reduce monthly payments on three other airplanes.

Last April, creditor banks sought a court order to seize six of the airline's airplanes for its failure to honour due payments on its debt. Negotiations between the airline's representatives, including former Chairman and Chief Executive Ali Ghandour, and creditors produced new arrangements for debt repayment.

Earlier, RJ denied reports in the local press that it was holding talks with Air France or other foreign airlines to take shares in RJ once it was privatised. The airline did not deny calling the help of foreign governments or international institutions to save the troubled air carrier which lost an additional \$100 million as result of the Gulf crisis.

"RJ contacted several international firms in order to help study the prospect of privatisation, but the whole matter was

postponed indefinitely following the eruption of the Gulf crisis," RJ Director-General Husam Abu Ghazaleh said last month.

"Once the government is convinced of the idea, then RJ's management can take the proper decision in this regard," he added.

Despite its financial liability, many officials argue that the airline must be kept afloat because it is a major employer in the country which is grappling with a soaring unemployment rate of over 20 per cent.

"If privatisation is not the solution for the airline then the government must find another one," said Minister of Tourism and Antiquities Abdul Karim Kabarti. He warned against "dire social consequences" if the airline does not receive support since it employs 5,000 persons and supports their families.

Mr. Kabarti said one of the alternatives to privatisation was the establishment of an aviation ministry which would have a budget incorporating the airlines' budget.

300 demonstrate against trials in Kuwait

Marchers protest to U.N. after being kept away from embassy

By Serene Halasa
Special to the Jordan Times

AMMAN — Marchers on Thursday were prevented by police from staging a demonstration in front of the Kuwaiti Embassy to protest human rights violations against Jordanians, Palestinians and other Arab nationals for their alleged collaboration with the Iraqi occupying forces.

According to the organisers of the march, the Jordanian Popular Committee for the Defence of Human Rights, police prevented a number of buses carrying demonstrators from entering West Amman, where the embassy is located, to join the protest.

Around 300 demonstrators, dismayed by the police action, marched instead to the United Nations building in Shamsani, chanting slogans and carrying banners that called for an immediate halt to what they described as "arbitrary" trials against Jordanians and Palestinians in Kuwait.

There was no official comment from the police on why they prevented the demonstration from going to the Kuwaiti Embassy, but the measure was apparently taken to protect the mission and to prevent any violence from taking place around the embassy.

"We will not succumb to the cowardly acts of revenge," "Where is the Arab League?" "Stop the arbitrary killings in

Kuwait," read some of the banners carried by the demonstrators.

The demonstrators also called on humanitarian organisations worldwide to condemn the acts of revenge and human rights violations against non-Kuwaitis and strongly demanded that the world community put an end to the "ridiculous" trials.

Representatives of the Jordanian Popular Committee for the Defence of Human Rights presented the managing director of the United Nations office in Amman a protest memorandum addressed to United Nations Secretary General Javier Perez de Cuellar. The memo urged the

secretary general to intervene on behalf of the people who stand trial in Kuwait.

Bowing to international pressure, the emir of Kuwait recently commuted the death sentences of 29 alleged collaborators to life imprisonment. About 450 people, mostly of Palestinian and Jordanian origins, stand to face trial in Kuwait courts.

Demonstrators dispersed after handing over the memorandum to the United Nations representative, but the organisers of the march vowed that they would send a "strong protest message" to the prime minister and reschedule another demonstration at a later date.

WHAT'S GOING ON

EXHIBITIONS

- ★ An exhibition of paintings and sculptures by Showqi Shoukni, Mohammad Al Jabous and Rifai Al Razzaq at Abdul Hameed Shoman Foundation 10 a.m. — 5 p.m.
- ★ Exhibition of paintings by Maher Al Shalabi at Alla Art Gallery, Insurance Building, 1st Circle.
- ★ Ceramics exhibition by Margaret Tadros and Najwa Annab at the Spanish Cultural Centre.
- ★ Embroidery exhibition at Jordan Intercontinental Hotel — 1-5 p.m.

FILMS

- ★ German video for children entitled "Rud und die Stadt" at Goethe Institute — 4 p.m.
- ★ German film entitled "Hans ohne Hut" (English-subtitled) at the Goethe Institute — 8 p.m.

Jordan Times

An independent Arab political daily published in English by the Jordan Press Foundation. Established 1975.

Chairman of the Board of Directors:
MAHMOUD AL KAYED

Director General:
MOHAMMAD AMAD

Editor-in-Chief:
GEORGE S. HAWATMEH

Editorial and advertising offices:
Jordan Press Foundation,
University Road, P.O. Box 6710, Amman, Jordan.

Telephones: 667171/6, 670141-4

Telex: 21497 ALRAI JO

Facsimile: 661242

The Jordan Times is published daily except Fridays.
Subscription and advertising rates are available from the
Jordan Times advertising department.

To Geneva with dignity

JORDAN will have an opportunity to gauge how it fares internationally in the wake of our return to democracy and the adoption of the National Charter when it submits its second periodic report on July 17 to the Human Rights Committee in Geneva. The committee is composed of 18 experts elected by the state parties to the International Covenant on Civil and Political Rights (ICCPR) and charged with the mandate of investigating the extent of state parties' adherence to the covenant which Jordan ratified back in 1975. Amman submitted its first report to the committee in 1981 and was questioned then rather extensively on many of the country's legislative and administrative actions with a view to determine its faithful respect for the terms and provisions of this important international human rights instrument. Article 40 of the covenant requests state parties to report on all measures taken or adopted, which give effect to the various civil and political rights recognised by the covenant. This time around, the Jordanian team representing the country can be expected to be subjected to a battery of carefully drafted inquiries on many of the country's domestic and external policies after taking into consideration and stock Jordan's new democratisation process. Amnesty International (AI), the London-based human rights watchdog group, has already compiled a list of questions that it wants the committee members to put to the Jordanian delegation, which will be headed by our ambassador to the U.N. in Geneva, Sharif Fawaz Sharaf. In its 1990 report on Jordan, AI alleged that despite promised reforms and the return of parliamentary democracy, it has not noted significant changes in the human rights situation in Jordan. It also claims that under the existing state of emergency provisions in force over the years, violations had occurred of certain rights mentioned in the covenant and that Jordan has yet to comply fully with the requirements of the ICCPR.

Specifically speaking, Amnesty International maintains that the state of emergency still remains in force and that martial law declared in June of 1967 has yet to be lifted despite a governmental pledge to do so by June of 1990. AI concedes, however, that martial law has been "frozen" ever since December 1989. On the other hand, Amnesty asserts that the defence law in force since 1939 has not been abrogated even though a new draft defence law has been presented to the parliament for consideration. In this vein, it noted that the Lower House of Parliament has approved the new law but that the Upper House has yet to do so. In the cumulative sense, AI maintains that under existing emergency laws, the executive authorities in the country exercise sweeping powers of arrest and detention without trial. The international human rights organisation further charges that several laws that it deems contrary to the ICCPR are still in force, notably the law on the resistance to Communism No. 91 of 1953. It also attacks the martial law court system principally because it does not afford the accused the right of appeal, which is well enshrined in the covenant. Even the National Charter that has just been adopted has not escaped scrutiny. Meanwhile the committee has established a working group to prepare a list of detailed questions to be put to the Jordanian delegation when Jordan's report comes under consideration. Amnesty International is using its strong lobbying powers to inject its own set of questions in addition to the questions that the committee itself is preparing on a wide range of Jordanian domestic legislations and practices including the status of the covenant in Jordanian legislations, elections, political parties, discrimination related issues on the basis of religion or political thought or sex. But, it is fair to state at this juncture that few countries escape the scrutiny of the committee unscathed.

Jordan is well poised this time to demonstrate that its civil and political record has indeed taken a dramatic turn to the better in the wake of the return of parliamentary democracy to the country. While we are confident that the final comments of the committee will surely reflect this new reality, we hope that the new government will adopt even further measures to enhance democratic practices and human and civil rights in the Kingdom. The total lifting of martial law, which is expected to be announced within several days, is certainly a big step forward in this regard, even though it might create a legislative vacuum that can be filled only by another temporary law. The important thing remains, however, that this country is moving ahead and as such it is setting good example for others to follow in this area.

ARABIC PRESS COMMENTARIES

Contrary to all positive trends to achieve peace in the Middle East, the Israeli defence minister has just announced that the Jewish state has developed new generations of weapons to be added to its formidable arsenal, said Al Rai Arabic daily Friday. At the same time the Israeli minister announced that the air to air missiles used by Americans in the Gulf war were in fact developed in Israel, something that reflects that the Jewish state is going ahead with vast development of its military power and is in a race against time to make further accomplishments in this field, the paper said. At the same time, the paper noted, the Americans are demanding that the Syrians should reduce their military force so that no one can stand against the Israelis in any future confrontation, and so that the Israelis can force peace on the Arabs. The paper said that Washington keeps bragging about its desire to give momentum to the peace process, but it is opening the way for Israel to become a superpower and forcing the Arabs to capitulate and succumb to Israel's wishes. The paper said that the American "carrot and stick" policy should open the eyes of the Arabs to the looming danger.

Regional security in the Gulf The structure of domestic political power and regional stability

By Yezid Sayigh

IN DISCUSSING regional security, analysts and government officials tend to focus almost exclusively on three dimensions: the foreign policies of the states directly concerned, the actual or potential Western role and issues of arms control and military balance. But an additional and vitally important determinant of regional security is the nature of local governments and of the domestic political systems through which they govern.

What makes this observation especially relevant is that, because real power in most Arab countries rests with narrowly based elites (drawn from family, tribal, ethnic or sectarian minorities, and almost invariably unelected and too often supported by Western nations), incumbent regimes wield a disproportionate impact on the functioning and stability of the regional state system as a whole. The ability of Iraqi President Saddam Hussein almost single-handedly to launch his country into two vastly debilitating wars within a decade reveals this relationship most starkly.

Domestic power and defence policy

While Iraq provides a more violent example of the impact that domestic power can have on regional security, its implications for post-crisis stability in the Gulf are better demonstrated by the case of Saudi Arabia. The kingdom has long based its defence on a costly, high-tech front-line air force. Partly because of its limited population base, but more significantly because of tribal fragmentation and fear for its own survival, the ruling family has deliberately kept its standing army small and balanced it with a parallel force, the National Guard. Such a posture is untenable as a long-term option after the Gulf war, even if outside forces provide a major share of defence for a transitional period.

One lesson of the Gulf crisis is that Saudi Arabia must provide a greater degree of its own self-defence to be secure. Simply to rely on yet more high-tech weaponry, supported by a veritable army of foreign technical personnel, is inadequate. Expanding the standing army, possibly by conscription, is an alternative. Indeed it is one that has been pressed vigorously by Saudi commander general Khalid Bin Sultan among others, who has called for doubling or even tripling the standing army and for stockpiling more weaponry.

But, as the experience of Jordan shows, bolstering defence by introducing conscription and universalising the experience of military life for young men subtly shifts the nature of allegiance; it fosters a concept of citizenship and allegiance to the state rather than to the ruling family. Taking the Jordanian experience into consideration, the Saudi leadership cannot involve its citizenry more extensively in national defence without suffering strains in the domestic social and political system. Already, the need to stress Saudi patriotism in order to mobilise the home front during the Gulf crisis has altered the ideological basis of government legitimacy. From a broad and relatively unfocused Islamic stress, the ruling family had to promote the "national myth": seeing themselves as members of a defined national entity, ordinary citizens became more likely to expect a share in decision-making.

The immediate consequences are gradually becoming apparent. Pressure within the kingdom has grown for the creation of a consultative assembly — this was first promised 39 years ago, and a building was constructed in 1980, but even this half-measure has not yet been implemented. And recently Islamic scholars and clerics circulated a petition calling on the king to widen public political participation and accountability.

Other constraints on defence

Neither can the Saudi security dilemma be resolved by maintaining a high level of dependence on outside military assistance. The Western nations might be able and willing, as long as costs are covered by GCC states, to deploy naval and air units in the Gulf on a permanent basis, along with prepositioned materiel for ground troops. But funds are no longer as available as they used to be; the Saudi government has resorted to deficit spending every year since the late 1970s, and now may have liquidable assets worth no more than \$30 billion.

Next door, the Kuwaiti government will be drawing on its overseas investment to cover its

budget for at least two years to come. In the light of the costs of the Gulf war, reconstruction and Kuwaiti oil fires — at a time of declining oil revenues in real terms — the prospect is one of decreasing financial solvency throughout the Gulf (and by extension, the Arab World). Naturally, this also limits reliance on high-tech (high-cost) defence.

In this respect, Arab military assistance such as that offered by Egypt and Syria might appear more cost-effective. Conceivably, Arab troops would bolster Saudi and GCC defences in the initial phase of a crisis, until additional Western forces could arrive. But

sonnel in security, defence and administration — into nationals. Of course some Gulf nationals would object that this suggestion would dilute their Kuwaiti, Saudi, Qatari (etc) identities. Taking this objection into account, the Gulf monarchies, and indeed all Arab states would have done well to consider adopting an integrative model whereby guests would not acquire the nationality or political rights of their hosts but would enjoy freedom of residence, movement and employment.

Either option above would have given Arab expatriates in the Gulf a real stake in the future

surprising, therefore, that official Saudi and Kuwaiti statements since August 1990 should have explicitly rejected the option of integration.

Umbilical cord to the West

In the view of many in both the Gulf and the West, the Gulf emirates can evade the implications of their security dilemma. For a start, there is no imminent external threat, and the Western protective strategic umbrella will ward off any danger for the foreseeable future. And with the present focus on maintaining oil supplies and increasing Saudi production capacity, few are asking piercing questions about the less-than-rosy financial future of the region or about the actual ability of Gulf states to acquire high-tech weaponry or run their economies along broadly the same lines as before.

Furthermore, a common attitude is, first, that the Gulf states can and should get by with fewer expatriates. And, second, that there is an assured supply of Asians willing to work with no guaranteed or permanent rights, so there is no need to hire many Arab expatriates, let alone integrate them. The overall implication being that the Gulf states can isolate themselves from their region and connect themselves instead to the West by an umbilical cord that carries oil in one direction and commodities, services and protection in the other.

These are hard conclusions for non-Gulf Arabs to accept. A primary concern of many Egyptians and Palestinians (for example) is to rebuild ties with Gulf governments and stress their own importance for the running of Gulf economies, administrations and defences (as the case may be). Yet the reality is that the Gulf is probably in less need of its expatriates than before, not only since the invasion of Kuwait but also due to changing economic, financial and technological patterns since the early 1980s.

Even then, however, the need for change in domestic political systems remains just as imperative. Reform will only become more necessary as the Gulf states adapt to new economic realities and financial constraints in the decade to come; at that point local governments will have to rebuild economic (and hence political and strategic) ties with their Arab brethren. So, unless someone devises a way of towing the Arabian Peninsula to the U.S. coastline, its rulers must come to terms with their neighbourhood — Middle East International, London.

"The fundamental problem in the Gulf is that the ruling elites do not wish to dilute their power, nor distribute their wealth more widely, by developing the innate dimension of security. To do so would involve reforming local social and political systems and allowing much wider public participation, in order to reinforce political allegiance and mobilise greater military resources. In spurning this option and in maintaining their reliance on acquired strength, Gulf rulers are following a course that is inherently self-defeating, if only because financial constraints are likely to make reliance on acquired elements of security and on high-tech military defence increasingly problematic."

besides possible doubts concerning the effectiveness of Egyptian or Syrian troops and equipment, the GCC states cannot assure themselves that this will be a really lasting and dependable arrangement unless they are in turn willing to guarantee their Arab partners certain rewards in exchange.

The traditional problem of all Arab countries that are labour or troop donors to the oil-rich Gulf states is that they have had no assurance of dependable financial aid or forceful diplomatic support. This contributed in the past to the dramatic shift in policy by Egyptian President Sadat — turning his back on what he saw as Gulf miserliness and concluding a separate peace with Israel in 1979 — and more recently has led Egypt and Syria to pull their troops out of the Gulf since the cease-fire with Iraq. Nor is there a real prospect of the Gulf rulers committing themselves economically to their Arab brethren in return for major military support, the latest rhetorical reassurances by Kuwaiti, Saudi and Egyptian officials notwithstanding.

The unwanted challenge of self-reliance

The core dilemma for the Gulf states is how to resolve the dichotomy between the innate and acquired dimensions of security. At the domestic level, innate strength stems from such factors as political cohesion and social harmony, while the military power of national armed forces is in this sense acquired. In regional terms, the parallel contrast is between the armed defence that a given country provides itself and the added strength deployed by outside powers.

The fundamental problem in the Gulf is that the ruling elites do not wish to dilute their power, nor distribute their wealth more widely, by developing the innate dimension of security. To do so would involve reforming local social and political systems and allowing much wider public participation, in order to reinforce political allegiance and mobilise greater military resources. In spurning this option and in maintaining their reliance on acquired strength, Gulf rulers are following a course that is inherently self-defeating, if only because financial constraints are likely to make reliance on acquired elements of security and on high-tech military defence increasingly problematic.

Another indication of government cupidity — in addition to resisting democratisation — is the consistent refusal of Gulf states to integrate Arab expatriate workers and professionals into local societies. Such a process would have strengthened national security and provided the basis for stronger military defence prior to the eruption of the Gulf crisis. In part, this would have removed the constant suspicion that guest communities harboured a potential "fifth column," and in part it would have enlarged the general manpower base and the skilled manpower pool.

One option might have been to transform a significant slice of the expatriate manpower pool that provides support services throughout the Gulf — already massively involved as foreign per-

of their adoptive countries. This would not only have enhanced security, but would also have greatly benefited local economies by encouraging expatriates to commit themselves and their skills permanently to the host states.

However, an integrative policy would undermine local vested interests in the Gulf. First and foremost is the "sponsor" system, under which no expatriate can work, keep a family or start a business without paying commissions or majority interest to Gulf nationals and business partners. This system is open to immense abuse. Integration would also implicitly undermine the existing basis of domestic power, by compelling ruling families to clarify the concept of citizenship, which would inevitably alter the traditional relationship with the original nationals. A recent example of the latter problem is the plight of the 100,000 "bidouns," bedouins who have long been refused Kuwaiti nationality — although they previously formed much of Kuwaiti army manpower — and who are now being persecuted, expelled or refused re-entry to the emirate. It is hardly

De Klerk rejects redistribution, calls for economic growth

CAPE TOWN (R) — Creative investment for growth and not redistribution of wealth is the key to South Africa's future, President F.W. De Klerk said in an interview.

Mr. De Klerk told Reuters the final removal of Western trade and investment sanctions would help the country to resume economic growth after eight years of stagnation.

He said all South Africans would have to make sacrifices during the transition from white rule to a non-racial democracy, but taking from the rich and giving to the poor would "kill the goose that lays the golden eggs."

"We are fundamentally opposed to the idea of a redistribution of wealth, of taking away from those who have and dishing it out to others. We think that is the road to disaster," he said.

Mr. Nelson Mandela's African National Congress (ANC) said in March it wanted a massive increase in personal and corporate taxes and limited nationalisation to close the wealth gap, which is amongst the highest in the world.

The movement has also demanded the return of land seized under apartheid in a programme of affirmative action to help blacks make up for the economic cost of segregation.

Mr. De Klerk said economic restructuring would go further.

"We think the size of the cake must be increased through growth, through development and through special programmes aimed at creating opportunities for the disadvantaged, for those suffering as a result of back-

he said. "To get the economy going as it should be, you need creative investment for growth and not just a shifting around of paper," he pointed out.

Mr. De Klerk said the government had set aside four billion rand (\$1.4 billion) to stimulate growth and help those worst affected by years of apartheid.

"Things are really moving. Unfortunately, the results are not being experienced yet by those who should be the end receivers," he said.

"If we can now succeed in having external factors such as restrictions on investment and sanctions removed then the table would indeed be set for a stable period of sound economic growth," he emphasised.

In its first public shift on the maintenance of sanctions, the ANC proposed at an Organisation of African Unity summit recently that curbs should be phased out as South Africa moves closer to democracy.

The European Community has already decided to review its economic curbs if Mr. De Klerk honours a promise to lift the remaining apartheid laws on land segregation and race classification by the beginning of this month.

The United States is committed to review its sanctions, including an investment ban, when apartheid is abolished and the last political prisoners have been freed.

"I think what we are seeing is the last gasp of opposition to the normalisation of South Africa's position. The international mood has changed to one of encouragement and support."

This week in print

JORDANIAN newspapers in the past week tackled questions that would be on the agenda of the new government of Prime Minister Taher Masi, the situation in Lebanon, the Middle East question and several domestic issues of concern to the Jordanian people.

A columnist in Al Dustour said that the present government is a coalition cabinet, comprising various political groups and is designed to put into action the principles and ideas contained in the National Charter. The writer, Hamadeh Faraaneh, said every political party will now have its chance to prepare for the 1993 general elections, and the door is open for all political factions to offer real service to the nation.

Another columnist in Al Rai daily said that government's approach in dealing with the questions of weak economy, unemployment and social justice which have been on the minds of the public, can decide on the success or failure of the present government. Nazih noted that the new government have given promises to deal with these pressing issues and to open the way for all political parties to participate, and it remains to be seen if the promises will be fulfilled.

A columnist in Sawt Al Shaab said Saturday is the date expected by the public to hear a government announcement for the termination of the martial law in the country. Salameh Ekour said that, should this happen, the new government would have started its mandate with a major achievement, and opened the door for all political groups and parliamentary blocs to increase their positive activities in the course of achieving the common goals.

Ekour said that no one has the right to level any accusations at or throw suspicion on the government by saying that it came to open negotiations with Israel, simply because the new government has already announced it will adhere to the international legitimacy and will call for the implementation of U.N. Security Council resolutions 242 and 338.

Salah Abdul Samad turned the readers' attention to the members of parliament and said that the voters are no more interested in or attracted by eloquent speeches by any parliamentarian or candidate for parliament. Writing in Al Rai, the columnist said the coming extraordinary session of parliament should serve as an arena for deputies to prove their skill in handling pressing issues and doing real service to the country.

Sultan Al Hattab, a columnist also with Al Rai, criticised the Muslim Brotherhood spokesman Ahmad Azaideh for issuing a statement in which he hinted that his group declined to join the present government because it came to open negotiations with Israel, a process strongly opposed by the Brotherhood. The writer said that there was no need for levelling accusations against the government before studying its actions and examining its programme.

The writer said that one can only level accusations unless one has exclusive evidence about a certain situation, and therefore nothing should be built on illusions and mere rumour.

Fahd Al Faneh, another columnist in Al Rai, criticised those who oppose the peaceful solution to the Palestine problem, and said that as long as the Arabs are not capable of restoring their rights by the force of arms, and in the light of the present situation in the Arab World, there was no alternative but to opt for peace on the basis of U.N. Security Council resolutions. The writer said that the Palestine National Council has already endorsed the idea of reaching peace with Israel, and there was no need for certain groups to go on issuing empty slogans about war with Israel at a time when everybody realises that no Arab country wishes to go to war.

Several columnists tackled the situation in Lebanon following the outbreak of fighting between the Palestinians and the Lebanese army. Taher Al Utman, who writes for Al Dustour, said that the Lebanese army's onslaught on the Palestinians was designed to strip the Palestinians from any means to defend themselves. Why, asks the writer, is Israel allowed to stay in the south while the Palestinians are being repressed? He says that the Palestinians have the right to defend themselves from another Sabra and Shatila massacre at the hands of the

Israelis and their allies Lebanon. Mohammad Kawash, who writes for Al Dustour, said that disarming the Palestinian, came upon orders from Washington, acting upon the desires of Israel which strive to obliterate the name of the PLO. The writer said that the American plot is being implemented without giving a regard to the rights of the Palestinian people in the homeland.

Bader Abdul Haq, writing in Al Rai, noted that the liquidation of the Palestinian army, presence in Lebanon came close on the heels of the Gulf war, and the process of liquidating the Palestinians in Kuwait. The writer said that the Palestinians who continue to face Israel's repression in the occupied territories are facing equal atrocities at the hands of their Arab kinsmen in Kuwait and Lebanon. But two other columnists in Al Rai, had other views, and both call on the Palestinians to end the fighting and opt for an end to hostilities with the Lebanese.

Abdul Rahim Omar said that the Palestinians are in Lebanon in their capacity as refugees and not occupiers and they have to welcome Lebanon's drive to restore the country's unity and national sovereignty. The writer said, the Palestinians and the PLO, should take into account Lebanon's difficult position vis-a-vis Israel and should preserve Palestinian potentials for the right moment when it is possible for all Arabs to confront the common enemy.

Mahmoud Al Rimawi agreed with Omar and said that the battle that raged between Lebanon and the PLO was totally unnecessary, and a dialogue should have ended all hostilities. The writer said that the struggle for Palestine has now been transferred into the interior of Palestine and is being waged by the intifada. He said that all the forces in Lebanon should direct their guns towards Israel to force it to evacuate the occupied Lebanese territory.

Al Rai said in an editorial that all the pledges given by Washington about a peace process have gone into thin air. No practical step has been taken to end the Arab-Israeli conflict and no sign has yet appeared to prove that Washington is indeed serious about ending Israel's settlement and expansionist policies, the paper noted.

The American president should declare to the world his plans for ending the Arab-Israeli conflict if he is really serious about this process, said Salameh Ekour in Sawt Al Shaab daily. The writer said he defies the American president to openly declare America's plan for ending the conflict and committing Washington to the achievement of peace. Unless he does that, said Ekour, the American president is opening the way for a new war in the area.

A columnist in Al Dustour said that with the attack on the Israeli commandos in Kashmir, the Palestine question has assumed its real and worldwide Islamic dimension. Fahd Al Rimawi noted that the Palestinians have proved unable to liberate their land on their own and in view of America's open alliance with Israel, there can be no alternative for the Arabs and Muslims but to widen the scope of this conflict and involve millions of Muslims in the task of liberating their holy shrines.

A columnist in Al Dustour called on the Jordanian security services to submit a statement to the government about its policies in detaining citizens especially politicians, and said that the public has the right to know why some people are being arrested. Mohammad Daoudieh said that politicians, like other citizens are liable to be arrested, but under the climate of democracy, the public has to be informed of the reasons behind the arrest. He said that politicians and others have rights that should not be overlooked.

The question of unemployment was again tackled by columnists, with Mohammad Daoud expressing dismay over the ineffective measures to deal with this chronic issue. The columnist said that many studies and surveys were conducted showing that 30 per cent of the total work force is unemployed, but nothing has been done to address the situation. The writer urged the new government to take serious action in preventing non-Jordanians from getting employment in the Kingdom, so as to open the way for Jordanian citizens to earn a living.

كردت الى الوطن

Television brightens Chinese homes

By Geng Zhi

A TEENAGER, standing on a pile of bricks, watched television for hours through his neighbours' window. Then, he stumbled and fell on the ground in the dark, disturbing the people inside. To his amazement, he was invited in.

That was 13 years ago. Now Lin Jianjun, the boy, is a physician in a Beijing hospital. He has his own colour TV set to enjoy with his wife and son. However, he says, "I will never forget how I was attracted by television at that time."

The feeling was true for many. A dozen years ago, even black-and-white televisions were luxuries that most Chinese families could not afford. Going to a neighbour's to watch television in the evening was the order of the day. Among the lucky families that had TV sets, some resented the visitors, while others invited three or four families to watch.

For years, a TV set remained at the top of the shopping list for most families especially for new-tyeds. Some families even borrowed money to buy TV sets to please their children. "Our

clothes were out of fashion but we replaced our black-and-white set with colour receiver two years ago," says Cui Wei, a fitter in the Jiamusi Coal Machinery Factory in Heilongjiang province, north-east China. When he and his wife saw their five-year-old son's vivid imitation of Donald Duck, a well-known American cartoon figure, they shook with laughter and thought it was worth buying the TV set.

The end of 1970s was an economic turning point for most Chinese families. As China began adopting more flexible economic policies, people's livelihoods improved. More and more families had money to spend on TV sets and other durables, and a 10-year national television boom began.

To satisfy the growing demand for TV sets, China's television industry boosted its annual output from 520,000 units in 1978 to 24 million in 1988, making the country the world's third largest producer of television, after Japan and the United States.

Since the 1980s, China has imported 113 assembly lines for colour TV sets. Added to domestic assembly lines, the country has an annual production capacity of

15 million sets.

China's television industry produces 14-, 18-, 20- and 21-inch colour sets and 9-, 12-, 14- and 17-inch black-and-white sets. The best-known brands include Panda, Peony and Kaige. In 1989 China exported 3.93 million sets to the United States, Europe and some Southeast Asian countries, according to Chinese Customs.

"We can now produce enough TV sets to meet the needs of the domestic market," says Yang Zhihe, an official in the Ministry of Machinery and Electronic Industry. "What we want is to further upgrade quality and take a bigger share of the international market."

In the past decade TV sets have become even more popular with the Chinese, who own more than 140 million sets nationwide. A recent random sampling conducted by the State Statistical Bureau shows that urban areas have 51.47 colour sets and 55.71 black-and-white ones, per 100 households, while in rural areas the number is 37.54 sets per 100 households.

To let families in all parts of the country receive clear pictures transmitted by China Central

Television (CCTV), 19,700 kilometres of microwave lines have been constructed nationwide. Since 1986 the government has launched three communications satellites and installed 15,000 TVROs, devices that pick up TV programmes from satellites and relay them to homes.

Besides CCTV in Beijing, there are now 421 other television stations owned by local governments, which produce their own programmes as well as act as relay stations for CCTV. Sharing 56 frequency channels, independent stations at central, provincial, municipal and county levels form a cooperative network that serves 75 per cent of China's 1.1 billion people.

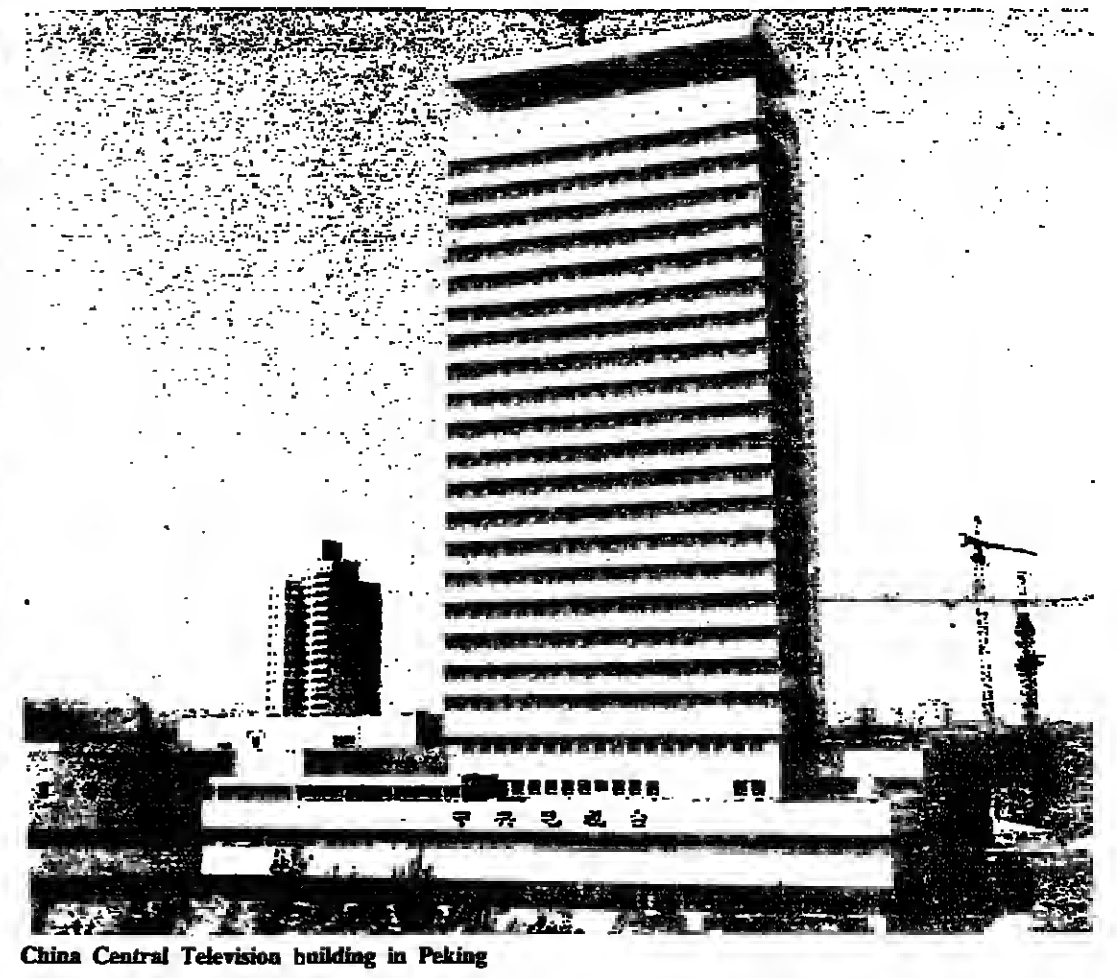
National minorities in remote areas such as Xinjiang, Tibet and Inner Mongolia not only watch CCTV but also enjoy programmes in their own languages translated and dubbed by local stations from a special channel.

The CCTV news broadcast at 7 p.m. every day has a viewer rating of more than 50 per cent, the highest in China. During this dinner-time programme, family members watch 30 minutes of local, national and international

news. "We can see what happens in the world everyday just sitting at home," says Yu Liangsheng, a government employee in Guanyang County in Guangxi Zhuang Autonomous Region, south China. In a letter to CCTV, he says that the conversation and laughter of his wife and three daughters while watching television create "a very harmonious family atmosphere" he likes best.

In rural areas where few cinemas and other entertainment facilities exist, television seems indispensable. "Without television, life is like a pot of dish without salt," says Han Xiwen, a farmer in Pingshan county in Hebei province, north China. "Since we bought a TV set, the life pattern of eating, working and sleeping has changed."

For many families, television is also a means of education since China's regular universities cannot provide enough opportunities. The Central Broadcasting and Television University offers 148 courses and telecasts lessons six hours a day through CCTV. Opened in 1979, the university has enrolled 1.7 million students with diplomas granted to almost 1 million.



China Central Television building in Peking

By Philippa Neave

NEW YORK — The dawning of a new era in international relations, a New World Order — call it what you will, but this spring has brought a blossoming of new ideas on how we can build a better world. A world where there will be peace and social and economic justice, in which every man, woman and child can develop and prosper.

Utopia? Can any of it ever take root and truly grow? Some people think so. Great minds are at work in different parts of the world producing imaginative and practical ideas about how the United Nations can meet the challenges of the next century and help make the world a better place. In the aftermath of the Gulf war, as the world faces a daunting array of persistent problems such as the environment, Third World debt and illiteracy, experts agree that the time has come to revitalise the U.N. and that changes are needed. Some heads may roll.

"In the U.N. Charter there is every possible golden rule on how states should behave towards each other. This is a very good 'order' — only it needs to be applied," says Nadia Younes, spokeswoman for U.N. secretary-general. "There is no need to re-invent the wheel, we have a perfectly good tool, which is the U.N. Charter. It is a question of the political will of the governments to apply it, implement it, and not violate it," she adds in an interview.

With the election of a new secretary-general due by the end of the year and the 50th anniversary of the U.N. coming up in 1995, the organisation is under review. So is its role in guaranteeing security, following its high-profile position during the Gulf war. "The U.N. stands for peace," says Younes, but many argue that practical steps are necessary to ensure that the U.N. can act fast to defuse future conflicts. Jan Eliasson, an experienced diplomat who is Sweden's ambassador to the U.N., argues: "The U.N. should function like a fire brigade, it should react automatically in an emergency situation."

How that can become a reality

is the subject of much debate, but there is growing support for the creation of a special force, the convening, if necessary, of the "Military Staff Committee" provided for by the U.N. Charter but never used. Military action would be jointly coordinated by the army heads of the five permanent members of the Security Council (United States, Britain, France, China and the USSR).

Adds Columbia University's Professor Richard Gardner, a foremost U.S. expert on the U.N.: "One of the priorities is to develop a rapid-deployment force capable of going into conflict areas when needed. I see it as a force of 50,000 drawn from 20 to 30 U.N. member states. In a crisis, the secretary-general and the Security Council could call on the mix of countries that seems most appropriate for that particular situation."

Concurrent with this is a series of proposals outlined in a document known as "The Stockholm Initiative on Global Security and Governance," put forward by a group of former and current heads of state as well as top officials of a number of international institutions like the World Bank. Former West German Chancellor Willy Brandt, who heads the group, recently presented the document to U.N. Secretary-General Javier Perez de Cuellar. It calls for "a global emergency system" and stresses the need for reinforced information built as a "global watch" to ensure that the secretary-general is alerted as soon as trouble is brewing. (Other members of the group include Benazir Bhutto, Vaclav Havel, Julius Nyerere, Edward Heath, Carlos Salinas de Gortari, the World Bank's Enrique Iglesias and Ingvar Carlsson).

Until now the U.N.'s peacekeeping role has often been like that of the doctor in the emergency room trying to deal with the mess after the damage has been done. "We need more preventive diplomacy," says Ambassador Eliasson, who also believes that the U.N. should set "a high standard for the respect of international law" and act as a deterrent to those tempted to break it.

The United Nations ponders future role

Although 159 countries have accepted the U.N. Charter, there is a growing demand for an effective tool that will force them to abide by the book. The existence of such an instrument presupposes sacrifice of self-interest, notes the Stockholm initiative document. It calls for "a new concept in sovereignty" in which states will have to give up a small fraction of authority in the interest of "collective security."

Said Chancellor Brandt at a press conference in New York: "We recommend strongly that we get out of the narrow interpretation of security. It must not be seen just in military terms: the environment, poverty and human rights are all wrapped up with security."

Egyptian-born Younes, who has been with the U.N. for 22 years, agrees. "In the future, the U.N. will have to play a major role, if only because the nature of the problems transcends borders — the environment, AIDS, drugs." Adds the Swedish ambassador: "We will see a thin borderline between political, social and economic issues in years to come. ... There is an interdependence between environment and development, between refugee problems, population growth, poverty and emergency relief."

Such global concerns are taking the place of apprehensions about an East-West conflict. As that threat recedes and global concerns increase, dozens of small ethnic and regional conflicts continue to fester. Notes Eliasson: "Unfortunately, almost as a consequence of the end of the Cold War, there is an eruption of ethnic conflicts and civil wars." In particular, the spectre of a disintegration of the Soviet Union is a growing cause for concern.

One of the hottest topics of current debates focuses on the right to interfere in the internal affairs of a country in the interest of "collective security." Under its own charter, the U.N. cannot intervene in internal affairs unless the situation constitutes "a threat to international peace and security." But there are ways around

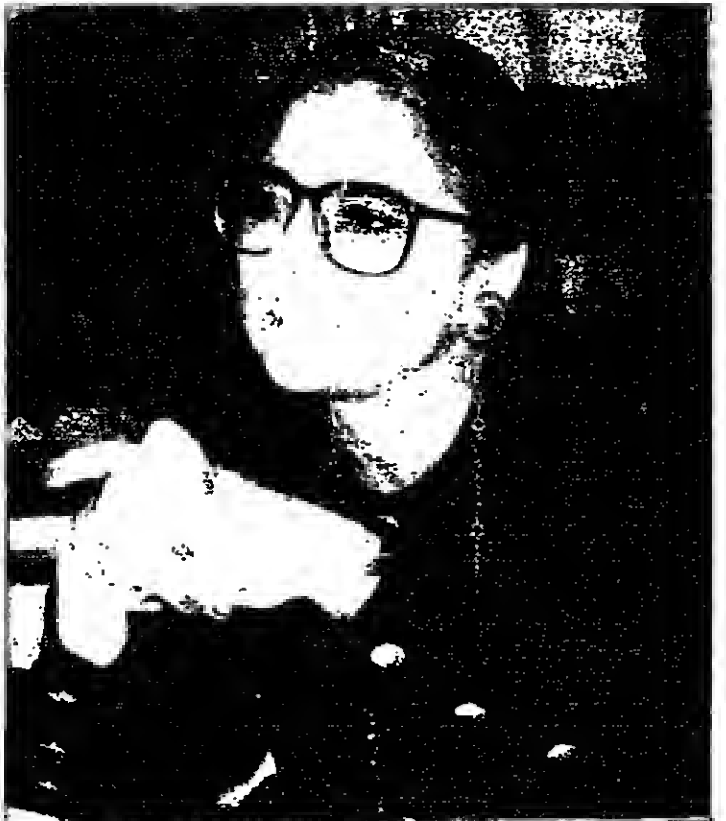
this. Says Professor Gardner: "In extreme situations, the article that deals with noninterference can be overridden. Under Chapter 7 of the charter, the Security Council can command countries to accept their forces."

Agrees the Swedish ambassador: "The U.N. faces a dilemma, but if it is to remain relevant it must play a role. There has been growing recognition that the situation of people inside a country is a legitimate international concern. There has been a distinct trend over the past 20 years to see human rights as an international concern." Besides, observers add, in practice the U.N. has played an active role in countries' internal affairs, if only by supervising elections as it did in Nicaragua, Namibia and Haiti. "What could be more internal than an

election?" asks Eliasson.

Other challenges face the organisation, and experts are particularly concerned about the growing imbalance between the industrialised countries of the North and the underdeveloped South. Says spokeswoman Younes: "Solving the social and economic problems will depend on an order that takes into account the problems of the South and recognises that if you don't solve them, the North and the rest of the world will be in turmoil for a long time. We are hy no means close to solving these problems."

Meeting such challenges calls for the allocation of greater resources to promote development and increased cooperation between the U.N. and other international bodies such as the World Bank, regional development banks and multilateral agencies.



Nadia Younes, spokeswoman for the U.N. secretary-general, believes that if properly applied the U.N. charter is the key to future stability and peace throughout the world (WNL photo).

Priorities must be identified and remedies pursued. Professor Gardner cites one of many examples: "One of the greatest failures of the past 30 years concerns population control, the lack of which is dooming development efforts. I would favour a tripling of resources from international and domestic sources for family planning and maternal and child care. If we don't do that, prospects for the Third World countries are really very dismal."

Adds Younes: "Social and economic problems took the back stage. If you look at Africa today, the situation has regressed; it is far more dramatic than 10 years ago. Africa was shoved to the back because of what was going on in Eastern Europe in recent years. It is still at the back, although the situation has never been as bleak as it is today."

Many experts stress that the U.N. could greatly increase its efficiency in the social and economic fields through greater cooperation among its own specialised agencies such as the Food and Agriculture Organisation (FAO), the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and the United Nations Industrial Development Organisation (UNIDO). "We need a better international division of labour. Every organisation needs to be streamlined and modernised," says Eliasson. "We must use the U.N. machinery to its maximum and draw on the resources that exist. There are so many experts, loyal and devoted people inside the U.N. who are looking for the right thing to do."

Equally, says critics, there is a plenty of "dead wood" in the organisation — the product of decades of politicking and favouritism. Eliasson and others describe the U.N. against critics who see it as a bloated bureaucracy full of people who are paid inflated salaries to churn out tonnes of paper that nobody reads. Argues Younes: "People find it very easy to criticise bureaucrats; some may be good, others bad, but you can't generalise with an

organisation with 14,000 employees. One is only judged by the record, and if you look at some of the operations like (supervising) the elections in Namibia, it was a big challenge and the U.N. rose to it."

"The U.N. is not a universal medicine," notes Eliasson, but observers add that it could do a lot more if the permanent representatives at headquarters and, more important, the heads of the U.N.'s 30 autonomous agencies worked more closely together. "Some agency heads are very uncooperative," says Gardner bluntly. "The U.S. and other major contributors should devote more attention to choosing the right people to head these agencies because they are becoming enormously important."

That is also the opinion expressed by two longtime U.N. officials, Brian Urquhart of the U.K. and Erskine Childers of Ireland, in a "A World in Need of Leadership." The 100-page document, recently published by the American consultant and research group, the Ford Foundation, provides an in-depth picture of recruitment of top officials since the U.N. was founded in 1946. There are serious imbalances in the geographical distribution of officials. About one quarter (33) of the 136 directors have been American. Switzerland comes second with 10, followed by France and Britain, with 7 each. The vast majority of other countries have only had one or two nationals in key positions. More striking still is the fact that in the entire history of the U.N. only two women have held top posts: Pakistan's Dr. Nafis Sadik, head of the United Nations Fund for Population Activities since 1987, and Japan's Sadako Ogata, named United Nations High Commissioner for Refugees in January 1991.

Two women out of 136 in the top jobs since 1945: "It's a disgrace!" exclaims Gardner. "We can probably say that these two women are the two best people in the system. ... We ought to look for more qualified women — that

ought to be a priority."

More immediate and crucial to the future of the organisation will be the next secretary-general, who must be appointed by the end of the year. The job has been described as an "impossible task" that only a "super-human" could fulfill. Says Younes, who works very closely with the secretary-general: "The ideal candidate has to have a lot of patience, stamina and sticking power. He has to have independence from all the major powers." Adds Gardner: "He has to be a fine diplomat, a good manager of the system and also someone who can use the bully pulpit to speak on TV and the mass media to the people of the world and challenge world leaders."

During its 45-year history the U.N. has had five secretaries-general: Trygve Lie of Norway (1946-53), Dag Hammarskjöld of Sweden (1953-1961), U Thant of Burma (1961-1971), Kurt Waldheim of Austria (1971-1981) and Javier Perez de Cuellar of Peru (1981-1991). Mr. Lie once described the U.N.'s top position as "the most impossible job on earth."

The Erskine-urquhart study makes a series of detailed suggestions regarding the choice of secretary general and proposes that he should be backed up by the creation of posts for three vice-secretaries-general. It also suggests that a single seven-year term should be introduced (to replace the five-year renewable term) so that the secretary-general does not spend the last part of his term distracted by political pressure and the search for ways to guarantee his reelection.

While there is no specific provision in the charter, many officials inside the U.N. publicly agree that "it is Africa's turn," because it is the only continent that has not produced a secretary-general. Several names have been floated, but many observers argue that this idea should not get in the way. Gardner is one: "It's absolute nonsense to talk about a certain region of the world being entitled to the position. There is only one criteria: who is the best person for the job." The search is on — World News Link.

JORDAN MARKET PLACE

THE PROFESSIONALS ALWAYS CHOOSE THE RELIABLE

PACKING, AIR FREIGHT, FORWARDING, DOOR-TO-DOOR SERVICES AND DELIVERIES, CUSTOMS CLEARANCE, TICKETS AND RESERVATIONS.

AMIN KAWAR & SONS
TEL: 604678 604695
P.O. BOX 7806 AMMAN

4 Rent & Sale

Many villas and apartments are available for rent and sale - furnished or unfurnished.

Also many lots of land are available for sale.

For further details, please call

Abdoun Real Estate
Tel: 610605, 610608, Fax: 610520

Ricardo R. 22/62

Amman's exclusive gift shop

Italian shoes, leather goods, perfumes, lighters, watches, pens, silverware, porcelain, crystalware etc.

Shmeisani - Grindlays Bank Bldg.
Tel. 669 457

STUDIO HAIG

Professional Quality in 1 Hour Service

Develop your colour film at our shop and get:-

- JUMBO photo size 30% larger
- Free enlargement 20 x 30 cm

Shmeisani - Opp. Grindlays Bank. Phone: 604042
Swedish tel: 823891

RENT Saudi Real Estate

Furnished & unfurnished apartments & villas for rent in West Amman area.

CALL SOHA
Rental Dept. 687821/22

CROWN INT'L EST.

Packing, shipping, forwarding, storage, clearing, door-to-door service

Air, Sea and Land

Agents all over the world
Tel: 664090
Fax: 690852
P.O. Box 926487 Amman

THE RANCH STEAK HOUSE

The best steak in town

TEL: 660507

MOVING?

Let Aramex Air Cargo take care of the works. Door to Door.

Call the friendly professionals on 660507 or 660508

ARAMEX AIR CARGO

RESTAURANT CHINA

The first & best Chinese Restaurant in Jordan

1st Circle, Jabal Amman, near Ahlyiah Girls School

Tables always available

Open daily 12:00-3:30 p.m.
6:30-Midnight
Tel. 630968

PEKING RESTAURANT

AUTHENTIC CHINESE CUISINE

elegant colorful atmosphere moderate prices

Shmeisani, Tel: 660250 (open daily)

CHEN'S CHINESE RESTAURANT

Mecca Street, Yarmouk Engineers' Housing Estate, near Kilo Supermarket

Mongolian Barbecue for Lunch Friday only

Tel: 618214

Come and taste our specialties

Open daily 12:00 - 3:30 p.m.
6:30 - Midnight

MANDARIN RESTAURANT

Special Chinese Foods Skilled Chinese Chefs

Open 12:30-3:30 & 8:00-11:30 daily

Take away is available

Wadi Saqra Road near Philadelphia Hotel
Tel: 661922, Amman

Once Tasted Always Loved

AUSTRALIA INSURANCE SERVICES

A Unique Australian Experience in Jordan

All Types Of Insurance:

- MOTOR
- HOUSE HOLD
- FIRE
- PERSONAL ACCIDENT
- MEDICAL
- CARGO
- TRAVEL COUPON
- ENGINEERING

Jabal Amman - First Circle
Tel: 610948 Fax: 612948
Tlx: 27644 AUSTI JO

The First Class Hotel In Amman that has a Kitchenette in every room...

DAROTEL

Amman - Tel. 668193
P.O. Box 9403 - Fax 602434
Telex 23888 DAROTL JO

Ideal Residence For Expatriates and Businessmen

LOBBY LOUNGE

SABIL

DAILY PIANO ENTERTAINMENT

For the best for your MONEY... ADVERTISE in the Jordan Times

Stich humbles Edberg at Wimbledon semis

WIMBLEDON (Agencies) — Michael Stich took advantage of lapses by top seed Stefan Edberg in a trio of tie-breakers Friday at Wimbledon to advance to his first Grand Slam final.

Stich, hitting his first serve at an average speed of 180 kph (110 mph), won 4-6, 7-6, 7-6, 7-6 to dethrone the defending champion and prevent Edberg from reaching his fourth straight Wimbledon final.

The 22-year-old German, who used his 1.92-metre (6-foot-4) frame and long reach to repeatedly win points at the net, won the second set when Edberg double-faulted twice in a 7-5 tie-breaker.

Edberg made an even more glaring error in the third set tie-breaker, which also ended 7-5, when he whiffed on an easy shot while facing set point. Standing at the net, Edberg appeared to misjudge the ball and barely touched it as it floated past.

Stich won the fourth set in a 7-2 tie-breaker.

Stich will face the winner of the semifinal between Boris Becker and David Wheaton in Sunday's final.

Sixth seed Stich, who lost in the semifinals of the French Open last month, has won only one tournament in his career. His best previous showing at Wimbledon was reaching the third round last year.

Stich had advanced to the semifinals with a 6-3, 7-6, 6-2 quarter-

final triumph against fourth seed Jim Courier. Edberg had scored a 6-3, 6-2, 7-5 victory Thursday over Thierry Champion.

Becker, who had played Edberg in the last three finals, struggled for four hours Thursday before defeating seventh seed Guy Forget 6-7, 7-6, 6-2, 7-6.

Wheaton survived a battle of attrition with Andre Agassi in the quarterfinals. By the end of the five-set match, Wheaton had a sore ankle and Agassi was limping due to a thigh injury.

Wheaton slumped in the middle of the 6-2, 0-6, 3-6, 7-6, 6-2 victory and was two points from losing in the fourth set, but Agassi — who has a history of failing in big matches — let him off the hook.

Even Wheaton could not understand how he survived. "I just have no idea how that happened, I really don't," he said. "He was serving for the match and somehow, I really don't know how, I figured out a way to win."

Meanwhile, on Saturday, Gabriela Sabatini will create a slice of tennis history if she can beat her friend and rival Steffi Graf in the Wimbledon women's singles final.

Sabatini would be the first Argentine of either sex to capture a Wimbledon singles title and, having won her semifinal against Jennifer Capriati Thursday, statistics suggest she can complete

the job against Graf. The 21-year-old Sabatini, who won her first Grand Slam title at last year's U.S. Open, has beaten the German in each of their last five meetings, four of them this year.

Graf was also the player on the receiving end at Flushing Meadows and, even on her favourite grass, may find it hard to reverse that 6-2, 7-6 verdict.

Despite her top seeding, caused by the absence of world number one Monica Seles, Graf is still not the invincible player who won Wimbledon titles in 1988 and 1989.

Last year was a nightmare, dominated by health problems and worries about her father's affair with a topless model, and she has still to regain her old confidence and consistency on court.

Sabatini, in comparison, has blossomed under the tutelage of Brazilian coach Carlos Kirmayr, engaged a week before Wimbledon last year.

She promptly reached the semifinals and, with an extra year's hard work, has gone one step further this time to the delight of herself and countless admiring fans.

"Any Grand Slam is important, this one is very important," said Sabatini after her two-set win over Capriati. "It's not the ranking points or the money, I just want to win."

4 teams advance to fourth round of Jordanian Soccer Cup

By Ahmed Ismail
Special to the Jordan Times

AMMAN — Four clubs have qualified to the fourth round of Jordanian Soccer Cup after their successive wins in the third round of the competition due to resume Saturday with two matches.

Al Arabi received a crushing blow when they lost on penalties 4-2 against Al Zarga who will meet Al Ramtha in the next stage.

During the match against Al Arabi, Al Zarga played without their key player Mahmoud Fahmawi who was sent off in the final 10 minutes. However, they

led by two goals before Al Arabi narrowed the margin in the 60th minute and then held Al Zarga to a 2-2 draw in the final minutes of the match.

Two of the Al Arabi players missed their penalties in the shootout to make it 4-2.

Also by penalty shootout Al Hussein and Al Jeel jumped to the fourth round of the cup by beating Al Qadisiya and Al Awda respectively.

Al Qadisiya grabbed a 1-0 lead in the 19th minute with a breakaway goal by Abdullah Al Amarneh, but Al Hussein, who had well-balanced lines in the second half, scored the equaliser

in the 59th minute by a shot from Al Kharouf from outside the penalty area.

Al Hussein dominated the final minutes of the match, but were repeatedly foiled by Al Qadisiya goalkeeper, who tipped a free kick by Arif Hussein over the crossbar.

Finally Al Hussein won the penalty shootout, 5-2, after both teams failed to produce more goals during extra time.

Al Jeel was also held to a 1-1 draw with Al Awda and succeeded to qualify to the fourth round after winning 4-3 in the penalty shootout.

Moroccan to attempt world 10,000m record

OSLO (R) — Morocco's Khalid Skah, the world cross country champion, will attempt the world 10,000 metres record at Saturday's Bislett Games.

Skah, who trains in Norway during the European summer, runs in a star-studded field which includes Mexico's world record holder Arturo Barrios, Morocco's Olympic champion Boutayeb Brahimi and Italy's European champion Salvatore Antibo.

Barrios set his mark of 27 minutes 8.23 seconds in Berlin two years ago.

No men's sprint events will be staged after meeting Director Svein Arne Hansen decided he did not want to pay the price demanded by the Santa Monica Track Club. As a consequence neither Olympic 100 metres champion Carl Lewis nor the new world record holder Leroy Burrell will be present.

"This year we have decided to spend our money on the long distances, the 5,000 metres and 10,000 metres," Hansen said this week. "I think the public will appreciate this investment."

"We filled this stadium with Lewis two years ago. I don't think we would have done so now. Lewis has lost some of his public relations value."

The meeting's feature event, the dream mile, has lost some of its lustre with the withdrawals of world record holder Steve Cram and world 1,500 metres record holder Said Aouita.

American Joe Falcon, the surprise winner last year, will again be present along with Germany's European 1,500 metres champion Jens-Peter Herold and Britain's Commonwealth gold medalist Peter Elliott.

Kenya's Olympic 1,500 champion Peter Rono and Somalia's World champion Abdi Bile will also compete here.

LOCAL SPORTS BRIEF

Jordan to miss Olympic basketball

AMMAN (J.T.) — The Jordanian basketball team will miss the competitions of the next Olympic Games to be held in Spain in 1992. Isa Al Amari, the spokesman of the Jordanian Basketball Federation (JBF) told the Jordan Times that technical reasons led to this decision. He did not elaborate further on the reasons. He said the Jordanian team will not take part in the Asian preliminaries to be held in Japan next August, which will be the warmup for the Olympic competition. Instead, the JBF will organise series of friendly matches with Syrian and Iraqi teams to prepare for the next Arab tournament which is supposed to be held in Cairo. The spokesman added that the JBF will participate in the general assembly meeting of Arab Basketball Federation which will be held in Algeria on July 12.

3 Arab states discuss cooperation

AMMAN (J.T.) — Representatives of Yemeni and Iraqi universities concluded a 5-day working visit to Jordan. Muhammad Khair, the head of the Jordanian Universities Sport Federation said that the friendly meeting fixed the venues of sports activities to be held on the occasion of His Majesty King Hussein's birth day in November.

Jordan to take part in athletics finals

AMMAN (J.T.) — Jordan is expected to take part in the 9th Asian Athletics Tournament to be held in Malaysia on Oct. 17. A spokesman from the Jordanian Athletics Federation (JAF) said that five athletes will participate in the final rounds after a series of warmup competitions, and the delegation will be formed under the supervision of JAF Vice President Yassin Al Jilani. He added that Jordan will take part in the general assembly of Arab Athletics Federation to be held in Cairo on July 14.

Krabbe denies report she may quit athletics

BONN (R) — German sprint star Katrin Krabbe, struggling with her form this season, denied Friday reports that she might quit athletics before next month's world championships.

The former East German said in an interview with the Austrian newspaper Die Kronen-Zeitung that such reports appearing in German newspapers were "rubbish."

Krabbe's coach Thomas Springstein was quoted in a German magazine Wednesday as saying the sprinter might quit athletics because of the pressure she had faced since winning three gold medals at last year's European Championships.

But Springstein later denied quotes attributed to him in the Sport Bild report that Krabbe might even finish her career before next month's world championships in Tokyo.

"It's not true what was printed about her sporting career and the end of it," Springstein said.

"I said Katrin was being criticised from many sides and her performances were being almost rubbished," he told the German Sports Agency SID.

"I then said that Katrin might lose her appetite for training and competition if things went on like that," he said.

HOROSCOPE

FORECAST FOR SATURDAY JULY 6, 1991

By Thomas S. Pierson, Astrologer, Carroll Righter Foundation

GENERAL TENDENCIES: The day is one of diplomacy and subtlety is required today so that you do not come across as going after what you want. If you adopt a demanding or determined attitude you drive others away.

ARIES: (March 21 to April 19) You are able to plan your projects for the future whether it be at an office, place of business, in official circles or at your own home.

TAURUS: (April 20 to May 20) This is the time to have a happy time at the pleasures and the amusements that take worry and fears away and bring you a feeling of happiness.

GEMINI: (May 21 to June 21) You now find that you have many matters you can handle at home or with your family so be sure to look at conditions and improve them at your own residence.

MOON CHILDREN: (June 22 to July 21) A day to see as many of your close acquaintances as possible and to discuss and thresh out with them what you can do for future projects.

LEO: (July 22 to August 21) This is a day when you could wisely keep an eye on your financial situation and if you run across any financial experts, get their suggestions.

VIRGO: (August 22 to September 22) Now you are in a position to gain the good will of most anyone

you wish by seeing and letting them know what they can do to back your personal desires.

LIBRA: (September 23 to October 22) Whatever you have in mind that does necessitate some private and personal study of conditions affecting you is good if you do so in private.

SCORPIO: (October 23 to November 21) A day to get together with close companions as much as you can and to join with them in planning the future so you can have more happy times.

SAGITTARIUS: (Nov. 22 to Dec. 21) You have a good chance now to get much done in the outside world that is difficult to do during the busy time ahead so go out on the town for all kinds of activity.

CAPRICORN: (December 22 to January 20) Such good aspects are in effect for a trip or a jaunt to some new site that you would be wise to be off and away early for best benefit.

AQUARIUS: (January 21 to February 19) Money matters with all others whether of a personal or business nature can be rightly attended to now if you center your efforts on them.

PISCES: (February 20 to March 20) This day finds you able to have much conversation with those you regard as partners and you are able to get them to see and go along with your standpoints.

THE BETTER HALF.

By Harris



"With all the weird stuff they spray on fruit these days, something freaky like this was bound to happen!"

JUMBLE. THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

RYBUL

CLOAV

PHASIM

TESHEE

Print answer here: _____ OF _____

Yesterday's Jumbles: SOGGY CHAOS DEFILE LIQUOR

Answer: The students loved their professor of paleontology, although his wife called him that — an "OLD FOSSIL."

(Answers tomorrow)

THE Daily Crossword by C.F. Murray

ACROSS

1 Apa's land

2 Set-up

3 Inland

10 Trolley sound

15 Cherbourg

16 Polster Roper

17 Sea eye to eye

18 Conere

19 Control

20 Home of the Fighting Tigers

22 Cony's cousin

23 Menu

24 Receptacles

26 Of a mountain chain

30 One who covers a bet

32 Portal

33 Essence

35 Cowdy one

39 Covets

41 One on a mission

43 Golf drive

44 Related

45 Alliance letters

47 Fenn pears

49 Sleeve type

51 Cheat

54 Lunchtime

56 Lily plant

57 Vial

60 Galaxy member

64 She: Fr.

65 Hang in loads

66 Art deco name

67 Tavern drinks

68 Roof overhang

69 Swiss port

70 Miami's county

71 Smooth and lustrous

8 Clothie win

10 Deliberate

11 Assumed name

12 Bright

13 Skier's aids

21 Teton or Cascade

25 Weight

26 Says further

27 The First

28 —cos (square dance figures)

29 Granitoid colorizer

31 Bell town

34 A miss

35 as a mis

36 River to the Caspian

37 "I — man with —"

38 Laborer

40 Kind of guard

42 Masticulate: var

45 Lit

48 One way to study

50 Battery terminals

51 Lets out a steam

52 Excessive music

53 Raccoon's cousin

55 Overweight

56 Actress

58 Raines

59 Verbal

60 Bruck of music

61 Sword

62 Secretary

SPORTS NEWS IN BRIEF

Middle East rally reinstated

DUBAI, United Arab Emirates (AP) — The 1991 Middle East Rally Championship, suspended during the post-Gulf war crisis, will start in September, an official said Friday. The four-month motor sport event traditionally begins in May.

Mazinno injured in training

RIO DE JANEIRO (R) — Brazilian full-back Mazinho will miss his country's first game in the South American Soccer Championship next week after being injured during training. Brazil team doctor Lido Toledo said Mazinho, who played an unaccustomed midfield role for Italian first division side Lecce last season, pulled a muscle in a training match Thursday and will definitely miss Brazil's opening match against Bolivia Tuesday.

Holmes ready to fight

HOUSTON (AP) — Larry Holmes is ready to wage his second comeback fight in Houston if a suitable site can be found, his promoter was quoted as saying. "Larry has passed the state's medical exams with flying colours," promoter Jason Schlessinger told the Houston Chronicle. "We're negotiating with several possible sites." Holmes, the former WBC and IBF heavyweight champ, would be the main attraction on a seven-hour card to be staged on Aug. 3. He would face journeyman Eddie Gonzales. Holmes, 41, who resumed his career after a nearly four-year hiatus, was scheduled to fight Gonzales on June 22 at Texas Southern University. But contractual difficulties forced cancellation of the fight. When Holmes failed to comply with the Texas State Boxing Commission's medical standards, a second proposed date of July 20 was postponed. Now, the fight has been pushed back to Aug. 3 if a site can be found, Schlessinger said.

Olympic champion to run at student games

SHEFFIELD, England (R) — Olympic 1,500 metres champion Peter Rono of Kenya will compete at this month's World Student Games, organisers said Friday. Rono, an economics student in the United States, will be taking part in his second Universiade and looking to go one better than 1989 when he was second behind fellow Kenyan Kipkoech Cheruiyot. Rono, 23, had largely disappointing seasons in 1989 and 1990 but his early results this year indicate he is returning to his best form. He posted the year's sixth best mile time of 3:54.89 Monday, finishing fourth in France behind Germans Hanke Fuhrbrugg and Jens-Peter Herold, the European champion, and American Steve Scott. Among other top athletes heading for the Student Games are Olympic high jump silver medalist Hollis Conway of the United States and former world javelin record holder Steve Backley of Britain. Backley, the defending champion, is fighting to be fit in time for the games which open on July 14 after tearing fibres in his thigh on June 23.

GOREN BRIDGE

WITH OMAR SHARIF
TANNAN HIRSCH
1991 Tribune Media Services, Inc.

TWO NEGATIVES MAKE A POSITIVE

Neither vulnerable. South deals.

NORTH

♠ J 8 3 2

♥ A Q 6 4

♦ K 10

♣ K 10 5

EAST

♠ A 9 6

♥ 10 9 8 7

♦ 7 4

♣ Q 7 6

SOUTH

♠ K Q 10 7 4

♥ K J 3

♦ A J 5

♣ 9 8

The bidding:

South West North East

1 ♠ Pass 3 ♠ Pass

4 ♠ Pass 5 ♠ Pass

Opening lead: 3 ♠

When this hand was played in a duplicate pair event, at every table except one declarer coasted home with an overtrick. Follow the play and see whether either defender erred and, if so, who?

North-South were playing old-fashioned forcing raises. As a result, the auction was not only accurate, but revealed little about the hand.

West led the ten of hearts and declarer, to conceal as much as possible about the hand, took dummy's ace. East dropped the five. Declarer

led a trump to the king and ace and West, noting that the two of hearts was still missing, reverted to hearts. Declarer won, drew trumps and claimed 11 tricks, since he could discard a club on the fourth heart in dummy.

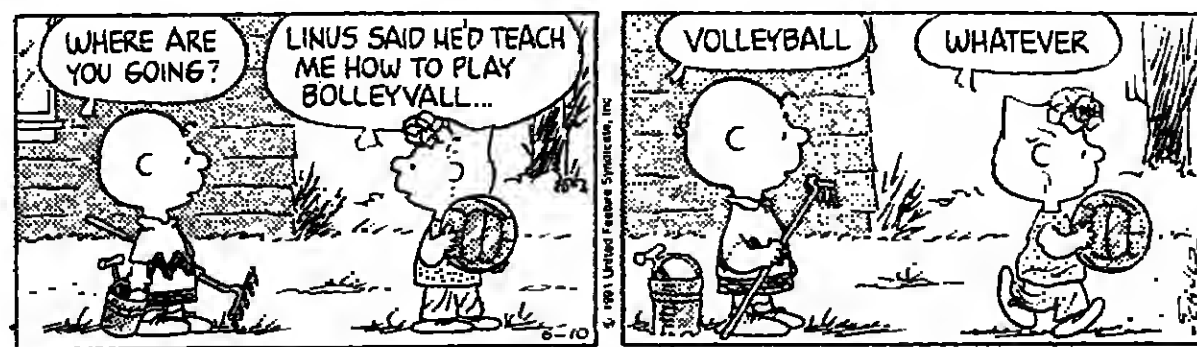
A merit badge in logic is yours if you faulted both defenders for permitting the overtrick. To understand why, see what happened at the table where the contract was held to the minimum.

Here, too, declarer won the opening lead on the board, but East, who did not want hearts continued, followed with the deuce. Since West did not know which minor suit to shift to, that defender allowed declarer to win the first trump trick.

When West took the ace on the next round of spades, East was able to make a telling discard.

Afraid that partner would not be able to read the four of clubs as a high card, showing interest in that suit, East instead made the discouraging discard of the two of diamonds. Having seen both red deuces from partner, West had no trouble in finding the club shift. The defenders netted two tricks in that suit to hold declarer to 10 tricks. That was enough to earn an absolute top for East-West.

Peanuts



Andy Capp

Financial Markets

Currency	New York CLoac	Tokyo CLoac
U.S. Dollar	1.5063	1.5030
Deutsche Mark	1.8295	1.8357
Swiss Franc	1.5600	1.5630
French Franc	6.2015	6.2173
Japanese Yen	139.55	139.40
European Currency Unit	1.1230	1.1208

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.93	6.06	6.37	6.61
Deutsche Mark	11.37	11.12	10.81	10.68
Swiss Franc	8.90	9.09	9.25	9.25
French Franc	7.66	7.81	7.81	7.65
Japanese Yen	9.62	9.68	9.62	9.65
European Currency Unit	7.46	7.59	7.46	7.37

Currency	USD/Oz	JD/Gm	Metal	USD/Oz	JD/Gm
Gold	370.00	7.10	Silver	4.50	.10

Currency	Bid	Offer
U.S. Dollar	.689	.691
Deutsche Mark	1.1058	1.1113
Swiss Franc	.4357	.4379
French Franc	.1110	.1116
Japanese Yen	.4933	.4958
Dutch Guilder	.3341	.3356
Swedish Krona	.1041	.1046
Italian Lira	.0506	.0509
Belgian Franc	.01629	.01638

Currency	Bid	Offer
Bahraini Dinar	1.8100	1.8350
Lebanese Lira	.0750	.0770
Saudi Riyal	.1835	.1843
Kuwaiti Dinar	.1862	.1875
Qatari Riyal	.1850	.2000
Egyptian Pound	1.7800	1.7900
Omani Riyal	.1862	.1875
UAE Dirham	.3350	.3500
Greek Drachma	1.3770	1.4070

Index	2/7/1991	Close	5/7/1991	Close
All-Share	112.17		112.13	
Banking Sector	106.35		106.35	
Insurance Sector	118.47		119.34	
Industry Sector	118.42		118.36	
Services Sector	129.51		129.13	

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midsession on the London foreign exchange and bullion markets Friday.

U.S. dollar	1.6025/35	One Sterling
Canadian dollar	1.1430/35	One U.S. dollar
Deutschmarks	1.8395/8405	
Dutch guilders	2.0695/0705	
Swiss francs	1.5882/89	
Belgian francs	37.84/88	
French francs	6.2300/50	
Italian lire	1368/1369	
Japanese yen	138.60/70	
Swedish crowns	6.6530/80	
Norwegian crowns	7.1750/1800	
Danish crowns	7.1090/40	
U.S. dollars	370.25/370.75	One ounce of gold

Nepal's king promises reforms, bigger role for the private sector

KATHMANDU (R) — Nepal's King Birendra has promised economic reforms, including a bigger role for the private sector in the Himalayan kingdom's industrial development.

Addressing the first joint session of the newly-elected parliament, King Birendra outlined to the new Nepali congress the government's policies and said priority would be given to uplifting the rural population.

"My government will extend cooperation to the private sector, promote the private sector's participation and create an atmosphere conducive to investment," he said.

King Birendra said the private sector could play a bigger role in industries and tourism and hinted that the monopoly of the state-owned airline, Royal Nepal Airlines, might also end.

The king said his government would give priority to improving the life of the rural population.

"In the view of my government, only when the fruits of economic development reach the poor and destitute within the framework of the well-accepted system, will democracy thrive and be lasting in the country," he said.

The king said the economy could no longer sustain a bloated administrative structure and redundant agencies would be closed.

Political analysts say the new government's policies as outlined by the king are a break with the long-held socialist tradition of the Nepali congress.

Soviet prime minister sees heavy borrowing

MOSCOW (R) — Soviet Prime Minister Valentin Pavlov has told a meeting of republican leaders his government had stabilised the economy's slide but heavy overseas borrowing was still needed.

The independent Interfax News Agency quoted him as saying foreign debt could reach 44 billion roubles (\$7.8 billion at the official exchange rate) by the end of the year, up from the 39 billion (\$65 billion) forecast earlier.

Mr. Pavlov blamed a ballooning hard currency budget deficit which had made the country dependent on new loans.

Soviet hard currency exports, primarily oil, have been dropping as production plunges because of lack of technology and investment.

Amman Financial Market weekly trading

Following is a summary of trading in Amman last week and the previous week:

	June 29-July 3	June 15-19
Daily average	JD 1,387,326	JD 1,798,863
Total volume	JD 6,936,629	JD 8,994,317
Total shares	3,256,016	4,710,785
No. Of contracts	4,120	5,492

Sectoral trading:

Industrial	JD 5,223,237	JD 5,850,895
Financial	JD 6,936,629	JD 8,994,317
Service	(7.1%)	(9.9%)
Insurance	(12.1%)	(1.1%)
Share price index	135.1	135.4
No. of companies	79	78
Price movement (rise)	16	49
(Decline)	51	18
(Stable)	12	11

WORLD STOCK MARKETS

TOKYO — The Nikkei closed down 237.27 at 22,898.34 below 23,000 for the first time since Jan. 16. Bargain-hunting had kept the index on the edge for two days but small-lot sales on the brokerage scandal kept pressuring prices.

SYDNEY — A lower-than-expected May current account deficit sparked a fresh wave of buying. The All Ordinaries index ended 12.3 points up at 1,536.2.

HONG KONG — Stocks closed at a year high on the news that the new airport would go ahead although early gains were trimmed by heavy profit-taking. The Hang Seng index finished 42 points up at 3,892.71.

SINGAPORE — Share prices closed mixed after selective bargain-hunting alternated with some profit-taking in quiet trading. The Straits Times industrial index rose 6.51 points to close at 1,476.65.

BOMBAY — Pharmaceutical shares, boosted by hopes that price controls on drugs might be lifted, led a sharp rally. The BSE index soared 58.66 points to 1,357.32.

FRANKFURT — The market ended with another modest gain as it attempted to recover ground lost last week on anxiety over the prospect of stricter taxation on investment income. The DAX index ended up 2.80 at 1,618.91.

ZURICH — Prices recovered from early afternoon losses and closed a shade firmer as Wall Street rebounded from a weaker opening. The SPI index closed up one at 1,103.0.

PARIS — The market snapped out of a morose mid-session to end the week on a positive note with Wall Street's help. The CAC-40 index closed at 1,723.14, up 15.09.

LONDON — Shares ended higher in a moderate trading on the back of gains on Wall Street and some hopes of an interest rate cut. The FTSE index ended up 14.3 at 2,484.7.

IATA says airline gloom lifting but traffic still below '90 levels

GENEVA (R) — Shadows cast over the world airline industry by economic recession and the Gulf war may be lifting slightly, although traffic is still below 1990 levels, the head of the International Air Transport Association (IATA) has said.

Passenger traffic carried by IATA's 200 member-airlines in May was five per cent down on May 1990 and freight traffic was two per cent lower, giving a total traffic decline of about four per cent, IATA Director-General Guenter Eser told visiting British journalists.

"It is an indication of the state of the industry that some people are greeting those numbers with a sigh of relief — seeing an indication that recovery is well established," Mr. Eser said.

But he added: "I cannot talk about 'light at the end of the tunnel'. Perhaps a small lifting of the shadows would be the right expression."

The May figures compared with an 11 per cent drop in passenger traffic in April compared with the same month last year, and a cumulative fall of 14

per cent for the first three months of 1991.

Freight traffic dropped four per cent in April from a year earlier. It had been down by two per cent in January, one per cent in February and three per cent in March.

Mr. Eser said total traffic would have to grow by 6.5 per cent for the remainder of the year merely to equal 1990 levels. But capacity should rise by no more than 3.6 per cent to prevent cumulative erosion of the load factor — the percentage of occupied seats aboard an aircraft.

He commented: "I do not know of any previous period when traffic has risen nearly twice as fast as capacity."

Mr. Eser added: "We do not know to what extent the airlines are bailing to 'buy their recovery' through special offers and other reductions in average yields. We do know that they lost \$2.7 billion on international scheduled services in 1990. And we suspect that the effects of the Gulf war on their business, said earlier there was no real sign of a change in their fortunes more than four months after the conflict ended."

A survey of business travellers conducted at the height of the Gulf crisis showed that one-third had cut down on air travel because of economic recession and company travel policy, Mr. Eser said.

Some 75 per cent thought there was no real substitute for air travel. But this meant about a quarter of regular air travellers thought there were serious substitutes, some citing communication by telephone and telefax, Mr. Eser added.

He said world airline economics were extremely marginal in nature, a one per cent change in either revenues or costs representing about \$900 million.

Mr. Eser said the problem of air traffic congestion would not go away, adding: "One of the great ironies of the present industry situation is that full recovery is bound to be signalled by a large increase in congestion."

European airlines, reeling from the effects of the Gulf war on their business, said earlier there was no real sign of a change in their fortunes more than four months after the conflict ended.

"The overall picture is bleak,"

said Mr. Karl-Heinz Neumeister, secretary general of the Association of European Airlines (AEA).

"There is no hard evidence that the downturn in air transport is coming to an end," he said in a statement that detailed poor figures for the first four months of 1991.

The AEA groups 22 of western Europe's biggest commercial airlines, including Germany's Lufthansa, Air France, British Airways, and Scandinavian Airline Systems.

Mr. Neumeister said that compared with the first four months of 1990 traffic was down 14 per cent, while capacity and load factors — measures of how many empty seats there are on a flight — were both six per cent lower. The air freight market also remained depressed.

The Gulf war frightened many air travellers.

But the AEA statement said there were some signs of recovery in the far eastern market, the most important to its members after the European and Trans-Atlantic routes.

Apple, IBM announce alliance

NEW YORK (AP) — Apple Computer and IBM, historic antagonists in the computer industry, have officially ended that bitter relationship with a broad agreement on sharing technology in the 1990s and beyond.

Breaking their silence after weeks of speculation about a deal between the two giants, Apple and International Business Machines (IBM) Corp. announced general principles of the agreement, which will combine the strengths of both.

The agreement amounts to a friendship treaty between the two superpowers in the computer industry, which has been particularly hurt by the recession. Both companies have reported sharply lower earnings recently, trimmed their work forces and promoted lower-priced machines.

Perhaps more important, the alliance could herald what industry analysts call an era of easy-to-use computers, resulting from the marketing pre-eminence of IBM and the creativity of Apple, which revolutionised personal computers with its user-friendly Macintosh machines.

Apple and IBM said the agreement calls for a joint venture in computer software that will simplify programming industrywide; integration of Apple's highly successful Macintosh computer design into IBM systems, the design and application of powerful new computer chips provided by Motorola Inc. and the promotion of software for multimedia technology.

Apple and IBM said the agreement calls for a joint venture in computer software that will simplify programming industrywide; integration of Apple's highly successful Macintosh computer design into IBM systems, the design and application of powerful new computer chips provided by Motorola Inc. and the promotion of software for multimedia technology.

Apple and IBM said the agreement calls for a joint venture in computer software that will simplify programming industrywide; integration of Apple's highly successful Macintosh computer design into IBM systems, the design and application of powerful new computer chips provided by Motorola Inc. and the promotion of software for multimedia technology.

Romanian government presents next stage in economic reforms

BUCHAREST (R) — Romania announced new package of economic reforms Thursday, including a floating exchange rate for the lei, more price liberalisation measures, procedures for bankruptcy and write-offs of debts between enterprises.

Economy and Finance Minister Eugen Dijmarescu presented the measures to a special session of parliament.

The package, to be implemented over the second half of 1991, is the latest stage in an ambitious programme launched by Prime Minister Petre Roman last November to dismantle the communist command economy and build a market system.

Mr. Dijmarescu said the government planned to write off Romanian inter-enterprise debts by the end of August along with 90 per cent of losses recorded by state companies.

Romanian enterprises piled up arrears of 400 billion lei (\$6.4 billion) and financial losses of 201 billion lei (\$3.2 billion) in 1989 and 1990, according to data made available to parliament.

Mr. Dijmarescu said the prices of basic raw materials, electricity, heating, some liquid fuels as well as railway fares, would be liberalised to establish levels in line with international markets.

But coal, iron ore and sulphur, rents, bread, sugar, cooking oil and school books would continue to be subsidised for the time being, he said.

Prices have risen by about 160 per cent since the reforms took off in earnest last November, bringing waves of strikes, but the government aims to cut inflation to around 15 per cent next year.

National Bank Governor Mugur Isarescu told parliament Romania now also had to unify the official exchange rate of the national currency, the lei, with the black market and fledgling inter-bank auction rates, which were about three times higher.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Job Lord of chartered accountants Duesburys was appointed liquidator of Bond's privately owned Dalldorf Investments PTY Ltd. at a federal court hearing in Sydney, court officials said.

An affidavit from Dalldorf read out in court said the company has total debts of more than one billion dollars and assets of 40 million (\$30.4 million) at best.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Job Lord of chartered accountants Duesburys was appointed liquidator of Bond's privately owned Dalldorf Investments PTY Ltd. at a federal court hearing in Sydney, court officials said.

An affidavit from Dalldorf read out in court said the company has total debts of more than one billion dollars and assets of 40 million (\$30.4 million) at best.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Job Lord of chartered accountants Duesburys was appointed liquidator of Bond's privately owned Dalldorf Investments PTY Ltd. at a federal court hearing in Sydney, court officials said.

An affidavit from Dalldorf read out in court said the company has total debts of more than one billion dollars and assets of 40 million (\$30.4 million) at best.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Job Lord of chartered accountants Duesburys was appointed liquidator of Bond's privately owned Dalldorf Investments PTY Ltd. at a federal court hearing in Sydney, court officials said.

An affidavit from Dalldorf read out in court said the company has total debts of more than one billion dollars and assets of 40 million (\$30.4 million) at best.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Job Lord of chartered accountants Duesburys was appointed liquidator of Bond's privately owned Dalldorf Investments PTY Ltd. at a federal court hearing in Sydney, court officials said.

An affidavit from Dalldorf read out in court said the company has total debts of more than one billion dollars and assets of 40 million (\$30.4 million) at best.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Job Lord of chartered accountants Duesburys was appointed liquidator of Bond's privately owned Dalldorf Investments PTY Ltd. at a federal court hearing in Sydney, court officials said.

An affidavit from Dalldorf read out in court said the company has total debts of more than one billion dollars and assets of 40 million (\$30.4 million) at best.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Job Lord of chartered accountants Duesburys was appointed liquidator of Bond's privately owned Dalldorf Investments PTY Ltd. at a federal court hearing in Sydney, court officials said.

An affidavit from Dalldorf read out in court said the company has total debts of more than one billion dollars and assets of 40 million (\$30.4 million) at best.

The liquidation followed the appointment Wednesday of receivers to Mr. Bond's last major asset, his shareholding in the Greenvale nickel joint venture in Queensland.

Morocco pushes to attract more overseas investment

RABAT (R) — King Hassan of Morocco has named a minister for foreign investments in a bid to attract more overseas capital and cut red tape, officials have said.

The king appointed Mohammed M'Daghri Alaoui, 51, a senior finance ministry official, at a ceremony in the palace.

King Hassan said foreign investors were deterred by the bureaucratic jungle they encountered when trying to do business in Morocco.

"Whatever the administrative facilities and whatever the legislation, we are still up against routine and administrative obstacles," he said.

Overseas and Moroccan businessmen have frequently complained that they are obliged to make tedious and time-consuming rounds of various offices to fill in forms and obtain signatures and authorisations or certificates before their plans are approved.

They say that though the government boasts it has the most liberal economy in the Arab World they are often discouraged by petty bureaucracy.

In a related development, the king has appointed a seven-man committee to evaluate 76 state enterprises which are to be privatised.

ANGELICAN CHURCH

Services in English this Sunday
8 a.m.
6:30 p.m.
Celebrant:
Bishop Samir Kafity
Bishop in Jerusalem
628543
Tel.:

APARTMENTS FOR RENT

Deluxe furnished apartment: 2 bedrooms, 2 bathrooms, 2 fantastic verandas, modern kitchen, L-salon, colour TV, telephone, central heating & intercom.
Location: Jabal Amman quiet residential & safe area, 3rd Circle.
Also: 2 small furnished bedrooms available with veranda.
Call tel.: 61345, from 8-10 a.m. 3-8 p.m. Friday: all day

OFFICE PREMISES REQUIRED

We wish to rent office premises in one of the following locations:
Khalda, Swaffeh, Abdoun, 7th Circle, or the west side of Mecca Street.
Area required 200-300 metres.
Please phone 621881 from 9 a.m.-1 p.m. & 4-7 p.m.

OUR PRINCIPLES... QUALITY & CUSTOMER FIRST

Special rates for Embassies, Companies and subscriptions.
The World for Maintenance & General Services
Cleaning Services included:
Muket: JD 0.350 per metre
Carpets: JD 5.000 each
Sofas: JD 19.000 per set of 7
Curtains: JD 2.250 each
Maintenance services incl. wall & furniture painting, electric wiring, upholstery, central heating, sets maintenance, furniture taking off, trans. & installation.
Note: Special shampoo, anti-moisture and anti-decay.
Jabal Amman, 3rd Circle, Tel.: 612702
Special offer for embassies, companies and contracts.

FURNISHED DELUXE APARTMENT FOR RENT

Behind Zahran Palace-Jabal Amman
Consists of 3 bedrooms, 2 bathrooms, sitting room, dining room, telephone and garage.
For information please call 825948 or 811714

THE SPANISH CULTURAL CENTRE

announces that it will be holding an intensive course for teaching Spanish.
Course duration: one month from July 15 through Aug. 19.
Study days: Saturday, Monday, Tuesday, Wednesday.
Classes start at 5:00 p.m. until 7:00 p.m.
Registration starts as of July 3rd.
For further information please call:
The Spanish Cultural Centre
Tel. (624049), Jabal Amman, 1st Circle.



Cinema Tel: 677420

CONCORD

THE BIKINI SHOP

Show: 3:30, 6:15, 8:30, 10:30 p.m.

Cinema Tel: 675571

NIJOUN

1) NINJA TURTLES

2) SAVAGE WILL Arabic

Show: 12:30, 3:30, 5:30, 8:30, 10:30

Cinema Tel: 634144

PHILADELPHIA

TENNESSEE BUCK

Performances: 12:30, 3:30, 6:15, 8:30

Cinema Tel: 625155

RAINBOW

THE BEACH GIRLS

Show: 3:30

REVENGE

Show: 6:30, 8:30

Britain's Labour Party trounces hard left rebels

LIVERPOOL, England (R) — Britain's opposition Labour Party smashed a by-election challenge Friday from leftist rebels who have appeared to threaten its national bid for power.

Party leader Neil Kinnock hailed a poor showing by a Trotskyite who lost to his official candidate in a Liverpool parliamentary constituency as "terminal" for the rebel militant tendency.

Labour hopes to unseat the Conservative government at a general election due within a year.

But Mr. Kinnock needed to smash the militant in its stronghold of Liverpool to help convince voters nationally that he can purge Labour of extremism.

In the event, Labour's Peter Kilfoyle won Liverpool's Walton constituency with 21,317 votes in voting that took place on Thursday. A centrist Liberal Democrat was runner-up with 14,457.

Militant's Lesley Mahmood managed only 2,613 votes, fewer than expected.

She vowed her group which Mr. Kinnock once called "the maggots in the body politic" would fight on.

"Militancy is in the bones... of the people of Liverpool because of the social conditions here," she said.

The city was once a thriving centre of world trade but it has

decayed in recent years.

Mr. Kinnock has expelled more than 150 people from the Labour Party, mostly militant supporters, and more expulsions are now expected in Liverpool.

Conservative fortunes have improved in recent opinion polls but Labour still maintains a narrow lead.

The Conservative candidate in Walton, Berkeley Greenwood, got a humiliating 1,155 votes, the lowest by a Conservative in a by-election since 1918.

The seat had been left vacant by the death of left-wing Labour parliamentarian Eric Heffer.

While Labour retained the seat and Conservatives fared badly, Heffer's majority of 23,000 was slashed by two-thirds by Liberal Democrat runner-up Paul Clark.

Some politicians said the militant thorn in Labour's side had not necessarily been removed.

For nearly 40 years the Trotskyite strategy had been to infiltrate Labour with the aim of taking it over. Thursday was the first time they had challenged it for a parliamentary seat.

Deputy Labour leader Roy Hattersley said a crushing victory for Labour in Walton would finally "lay the ghost of militant and all who support it."

But Labour rebels around Britain, in particular in Glasgow, Scotland, and Brighton in southern England, may challenge Kin-

nock in the national election, robbing Labour of votes in marginal constituencies it needs to win to form a government.

In Walton, voters blamed a militant-dominated Liverpool City Council in the 1980s for ruining what used to be one of the richest cities in the world.

Moderate Labour leaders who have now won control of the council have been battling to deal with huge debts and strikes by council workers which left rubbish rotting in the streets.

U.K. defence cuts hits civilians

LONDON (R) — British defence cuts in response to the diminished threat from the Soviet Union will hit thousands of top brass and civilians as well as ordinary servicemen, Defence Secretary Tom King said Thursday.

Staff at Ministry of Defence headquarters in London alone was expected to be almost halved to about 7,500 over the next five years, Mr. King told parliament.

About 20,000 posts filled by civilians in Britain would be shed and a further 15,000 overseas.

The cost-cutting measures are part of a defence review announced a year ago under which the air force, army and navy face big cuts amounting to almost a quarter of the total British armed services.

Yeltsin aims blow at union treaty

MOSCOW (R) — Russian President Boris Yeltsin Friday proposed a series of fundamental changes to the Kremlin's draft union treaty, delivering a serious blow to the battered plan to keep the Soviet Union together.

The amendments, contained in a resolution from the Russian leadership sent to the republic's parliament, would undermine central control of taxation and foreign trade.

In brief remarks to the session, Yeltsin said he had secured the backing of the nine republics now considering the treaty for four of the five changes in the draft.

He said the fifth, a demand for republican control of taxation — with a fixed amount then passed on to the centre — had the support of the Ukraine, the union's second most powerful republic.

"All nine republics were united in their disagreement on four points, I mean the points that our resolution contains," Yeltsin told the parliament.

The six other Soviet republics — the three Baltic republics, plus Moldova, Armenia and Georgia — have refused to discuss the new union treaty, saying they want independence.

Yeltsin said Soviet President Mikhail Gorbachev was alone at the "nine-plus-one" talks earlier this week in opposing the proposed amendments.

Neo-conservative deputy Sergei Baburin, raising one of the few objections to Yeltsin's proposal, said approval of the amendments would gut the Soviet Union.

"This resolution is an invitation to the funeral of the USSR as a federal state," Baburin told the hall.

But the radical chairman of the committee on legislation, a Yeltsin ally, said the Kremlin sought to doom Russia instead.

"This draft means the disintegration of the Russian state, and the USSR will be buried under the rubble of Russian disintegration," said Sergei Shakhrai.

The powerful Democratic Russia bloc, parliament's highest faction, also denounced the Gorbachev plan.

The draft union treaty, proposed by Gorbachev in a bid to restrain the centrifugal forces pulling the union apart, would decentralize many aspects of political and economic life.

The Soviet leader bowed for London later this month to appeal to the leaders of the seven top industrialized countries for aid and investment, has said he wants the draft signed by the end of July.

But republican critics say it does not go far enough, while conservatives in the Communist Party and the central government see a threat to the country's cohesion and their own power.

The Ukrainian parliament has already voted to delay work on the treaty until September, a move many analysts here see as effectively killing the plan.

Aquino aide quits

MANTLA (AP) — President Corason Aquino Friday accepted the resignation of her chief aide, whose supporters claimed he was stepping down because of differences within the cabinet over economic policy.

But Mrs. Aquino's spokesman, Tomas Gomez, said presidential Executive Secretary Oscar Orbes was probably resigning to run for president. Mr. Gomez said talk of a cabinet feud was contrived to make the official appear a populist underdog.

Another government spokesman said Defence Secretary Fidel Ramos would resign soon, apparently to devote time to his own campaign for the presidency.

Presidential elections will be held next May and Aquino's term ends by June 30, 1992.

"It was with regret that I agreed to his departure from government," Mrs. Aquino told reporters. "I want to make it very clear that in my judgment, (Orbes) has served the presidency and the country well."

No successor was named and Mrs. Aquino said she would announce later when the resignation would become effective.

The resignation followed a series of press leaks by Orbes

supporters, which appeared to be part of a carefully contrived plan to make it appear he was stepping down because of pressure from cabinet members who support unpopular economic policies.

The leaked reports said Mr. Orbes had a shouting match with Finance Secretary Jesus Estanislao over a controversial 9 per cent import levy and continued high fuel prices.

They said Mr. Orbes wanted the levy scrapped and prices reduced but Mr. Estanislao refused. Several cabinet members, however, denied any such shouting match had occurred.

Mr. Orbes, 40, a former congressman and transport secretary, had built himself a reputation as a hard-worker since his appointment last December as presidential executive secretary.

But critics claim most of his accomplishments have been simple gimmickry, such as selling discount fish in special stores and offering free circumcisions at the presidential palace health clinic.

Also Friday, Assistant Press Secretary Horacio Paredes said Gen. Ramos would soon leave the cabinet and that Mrs. Aquino would name a replacement by July 22, when congress recon-

venes.

In a separate development, suspected Muslim pirates kidnapped two Belgian medical volunteers and four Filipino companions in the southern Philippines, the military reported Friday.

Maj. Gen. Gumercindo Yap, commander of the military's Southern Command, said the kidnapping took place Thursday off Lapac Island in the Sulu archipelago, about 1,000 kilometres south of Manila.

Gen. Yap identified the victims as Dr. Marc Biot, and paramedic Stephen Laro, both of the Doctors Without Borders medical mission based in Belgium, and four Filipino companions.

The kidnappers were believed to belong to a "lost command" of the Muslim separatist Moro National Liberation Front, he added.

There was no immediate confirmation of the incident from the Belgian embassy in Manila.

Gen. Yap said Dr. Biot's group, aboard a pumpboat, was on its way to Pata Island, about 50 kilometres north east of Lapac, when it was waylaid by armed men aboard three other sea craft.

German Bundesrat votes to stay in Bonn for now

BONN (R) — Germany's upper house of parliament voted to stay temporarily in Bonn, handing the former West German capital a consolation prize after losing to Berlin as seat of government.

The small but influential Bundesrat — representatives of Germany's 16 states — voted 34-20 Friday in favour of remaining in this quiet Rhineland town.

The motion called for the Bundesrat to re-examine the question and vote again in a few years.

The lower house, the Bundestag, voted narrowly on June 20 to move itself and the government from Bonn to Berlin, capital of

Germany since it united last October, by the end of the century.

The 600-kilometre move from west Germany's provisional capital since 1949 will take at least eight years, according to government estimates. The Bundestag is likely to continue meeting in Bonn during that time.

Officials in Bonn fear the move by the government and lower house could lead to the loss of 40,000 jobs but much less is at stake in the case of the Bundesrat. It meets only once a month and employs around 150 people.

Environmentalists protest against logging in Malaysia

KUALA BARAM, Malaysia (AP) — Environmentalists from six nations chained themselves to loading cranes Friday in a dramatic protest against the rapid logging of Malaysia's tropical forests. Police said they were later arrested.

The activists said they wanted to draw international attention to the destruction of rain forests in Malaysia's Sarawak state and the plight of its nomadic Penans.

Nine activists from Sweden, the United States, Australia, England, New Zealand and Germany boarded three barges anchored in the Baram River at 8:30 a.m. (0030 GMT) Friday, according to spokeswoman Annie Leonard.

The protesters represented Earth First from the United States, Robin Wood from Germany and the Society for Threatened People from Switzerland.

Kuala Baram is a small town at the mouth of the Baram River in Malaysia's Sarawak state on Borneo Island. It is about 770 miles

(1,235 kilometres) southeast of the capital of Kuala Lumpur.

Two German protesters hung with climbing ropes from the top of two separate 20-metre high cranes on the barges. Three others chained themselves to cranes.

"There were people at the jetty loading the logs in the barges to be taken to a Japanese ship out at sea. They stopped the loading after our action," a German environmentalist named Frank told the Associated Press. He refused to be identified further.

After two hours about 20 policemen arrived, but they did not try to stop the protest. About 60 people watched as one of the female activists sang anti-logging songs and played a guitar from one of the cranes.

Later Friday, police in Miri, an oil town 10 miles (16 kilometres) from Kuala Baram, told the Associated Press the nine were arrested and were at the Miri Police Station. Police said they were investigating the situation, but gave no further details.

Dutch court clears all 4 defendants of IRA killings

DEN BOSCH, Netherlands (R) — A Dutch appeal court quashed the murder conviction of an Irish national and upheld the acquittal of three others accused of killing two Australians during a wave of IRA attacks in Europe.

The court said Friday there was no legal or conclusive evidence to prove that Gerard Harte, 27, Donna Maguire, 24, Sean Hick, 30, and Paul Hughes, 27, carried out the attack or helped those who did.

The three-judge court made its ruling after simultaneously hearing a prosecution request to overturn a lower court acquittal of Maguire, Hick and Hughes, and an appeal by Harte against the 18-year jail sentence imposed on him.

After the ruling the four defendants, smiling broadly, waved to friends in the public gallery.

"Justice has been done. We're delighted," said Patricia Maguire, mother of Donna Maguire.

The judgment is bound to be controversial since no one has been brought to justice for the cold-blooded killing of holiday-making lawyers Nick Spanos and Stephen Melrose in the marketplace of Roermond in May 1990.

The IRA (Irish Republican Army) fighting to overthrow British rule in Northern Ireland, admitted responsibility for the attack but said it mistook the two Australians for off-duty British soldiers.

Maguire was arrested in Belgium last June with an arms cache. Her three compatriots were captured a few days later after a cross-border manhunt by Dutch and Belgian police.

U.S. official 'took bribes' for green cards

MIAMI (AP) — A high-ranking immigration official in Washington is under investigation for allegedly accepting \$5,000 in bribes from illegal aliens seeking permanent residency cards, a newspaper reported Thursday.

Luis Del Rio, director of foreign operations for the Immigration and Naturalisation Service (INS) since 1988, is accused in federal court papers of accepting the payments from Chinese, Colombian and Venezuelan nationals, the Miami Herald said. Del Rio, 51, oversees INS refugee, asylum and parole offices, as well as foreign personnel matters. The Justice Department's office of the inspector general said in the court document that a confidential source claims Del Rio took bribes from foreign nationals in exchange for the residency cards, known as green cards, the Herald reported. The government hasn't filed any charges. The Herald said the allegations are detailed in an affidavit by special agent Willie Haynes of the inspector general's office. The affidavit asks a federal judge to let the government inspect Del Rio's bank records over the next 90 days.

Boy hired jets, conned loan firm

LONDON (R) — A 16-year-old boy hired private jets with his father's credit card, treated friends to champagne-and-lobster suppers and conned a loan company into parting with \$466,000 (\$750,000). The loan was to buy a house in exclusive Dulwich in a street which is near ex-Prime Minister Margaret Thatcher's suburban home, a London court has heard. In the three-month spree Mark Acklom also shopped at Harrods, the upper-crust London store, and entertained his girlfriend in a hotel suite which cost £600 (\$1,000) a night. One unpaid bill, for Acklom and his guests to fly to Paris, Bern and Tenerife, came to nearly \$35,000 (\$55,000). Now aged 18, he admitted theft of the credit card and obtaining money, property and the home loan by deception. The court remanded him on bail pending reports. The loan company said it had checked Acklom's creditworthiness. It was now re-examining its procedures.

Britain goes metric

LONDON (AP) — The British pint of beer has been saved for posterity — but only when pulled from a barrel by a British barmaid and sold in a British pub. Buy the same pint of beer in a bottle in a store after 1999 and drink it at home, and it officially will be not a pint but 0.5306 litre. The preservation of the pint was included in a government plan issued Tuesday to take advantage of transitional arrangements in a 1989 European Community directive on measurements. Pressure on the government to decide which traditional units of measurement will remain and which will be replaced by metric units has grown in the run-up to 1992, when the 12 nations of the European Community will drop their internal trade restrictions. Britain's plodding progress toward adopting the metric system began more than 20 years ago. Shillings and pence already are gone, replaced by decimal coins, but the imperial pint and the inch, foot, yard and mile are stubborn symbols of resistance to things European and metric.

More than dozen hurt in riot at concert

MARYLAND HEIGHTS (AP) — Rock fans smashed chairs and hurled them at the stage in a riot at a concert by the heavy metal group Guns N' Roses, police said. More than a dozen people were reported hurt and up to 15 arrested. Hundreds of police had to be called in to bring the crowd of 19,000 under control at the Riverport Amphitheatre near St. Louis. Police said some of the injured suffered broken legs. Several people were carried out on stretchers. No members of the rock group were believed to have been injured. Tom O'Connor, deputy police chief, said the disturbance began when part of the audience went onto the stage and the band refused to continue. Witnesses said Axl Rose, the group's lead singer, jumped into the crowd and smashed a microphone on the floor to signal the concert's end after returning the stage. Members of the audience then ripped chairs from the floor and hurled them in pieces toward the stage, he said.

Japanese believe U.S. is more threatening than Soviets — poll

TOKYO (AP) — Nearly one quarter of Japanese people believe that the United States has supplanted the Soviet Union, long considered Japan's chief nemesis, as the top threat to their nation, a newspaper said Friday.

Some 24 per cent of respondents to a survey conducted last month by the mass-circulation Yomiuri newspaper said the United States has replaced the Soviet Union as the top threat to Japan, the newspaper reported.

Two years ago, in the last poll "of this type," the Soviet Union was named the top threat by 33 per cent of respondents, while 11 per cent said the United States topped the list.

This year, the Soviet Union was cited by 22 per cent of the 3,000 randomly selected respondents as the country's number one threat.

Younger respondents were more wary of the United States than their elders, with 33 per cent of those in their 20s citing the United States as the country from which Japan had the most to fear.

Some 27 per cent of respondents in their 30s cited the United States as the top threat, while 24 per cent of those in their 40s and 19 per cent of those in their 50s made the same observation.

The erosion of bilateral relations because of trade frictions and U.S. discontent with Japan's role in the Gulf war has made the United States more threatening

while the end of the cold war has diminished the danger posed by the Soviet Union, the paper quoted unidentified analysts as saying.

North Korea, China and South Korea were named as the next most threatening countries.

The paper did not say whether the 3,000 "respondents" were the number of people contacted or the number who replied to questions. Japanese polls usually do not include margins of error because pollsters believe their inclusion would make the samplings seem more scientific and accurate than they really are.

In a separate development, a Japanese professor said Friday the United States secretly planned to drop poison gas bombs on Japanese cities in World War II in retaliation for the use of gas by Japan's imperial army in China.

Senior U.S. military officials planned to bomb 25 major cities, including Tokyo and Hiroshima, with mustard gas and phosgene gas in late October, 1945 in preparation for an invasion.

Yoshiaki Yoshimi, history professor at Tokyo's Chuo University, told Reuters.

Under the plan, called Operation Olympic, the United States planned to mobilize 848 B-29 bombers and 216 B-24 bombers to drop 100,000 tonnes of poison gas a month and kill an estimated five million people, he said.

Prof. Yoshimi based his findings on top secret official U.S. documents from the National Archives in Washington D.C. and the Aberdeen Proving Ground Historical Office in Maryland that have been declassified.

"It is the strategic bombing of an urban area with phosgene bombs to produce gas casualties among unprotected personnel," one document said. Phosgene is a highly toxic, colourless gas used to suffocate victims.

Washington scrapped the plan after Japan's unconditional surrender in August 1945, Prof. Yoshimi said.

According to the documents, the United States agreed with China's Nationalist government to use chemical weapons against Japanese troops in China, he said.

"Prior to the employment of chemical warfare agents in any area in China, the local population will be warned to leave the vicinity of all Japanese forces and installations and to remain away until the Japanese are either dead or have evacuated the area and the area has been pronounced safe for reoccupation," one document said.

The United States never used chemical weapons against Japan. U.S. President Franklin D. Roosevelt warned Japan to stop using chemical weapons in China in 1942 and 1943 or face retaliation.

Police probe Japan firm for alleged illegal weapons trade

TOKYO (R) — Police raided offices of a Japanese aviation equipment maker Friday, investigating reports it illegally exported weapons parts to Iran during the 1980-1988 Iran-Iraq war.

A spokesman for Japan Aviation Electronics Industry Ltd declined to comment on the allegations.

A Tokyo police spokesman said police raided 13 of the company's offices and seized documents in search of evidence of alleged violations of Japan's foreign exchange and foreign trade control law.

Japanese newspapers said Friday the case dated back to about 1985, when Japan Aviation Electronics Industry was alleged to

have illegally imported from Iran parts for a U.S.-made sidewinder air-to-air missile through its Singapore office, repaired the equipment in Japan and sent it back into Iran.

The reports said Iran sought to have the missiles repaired in Japan because the United States had imposed an arms embargo on Iran.

The economic daily Nihon Keizai Shimbun said this was the first time an alleged case of illegal export of weapons during a war had come to light in Japan.

Japan bans weapons exports to communist countries, to countries to which the United Nations forbids such exports, and to countries directly involved in international conflicts.

Japan Aviation Electronics is 50 per cent owned by giant electronics firm NEC Corp. NEC said in a statement it would be regrettable if the reports proved true. NEC shares were down 20 yen to 1,470 at Friday's midday close on the Tokyo Stock Exchange.

Japan Aviation Electronics shares were at an ask-only price of 950 yen after closing at 1,050 Thursday.

International Trade and Industry (MITI) Minister Eiichi Nakao told a news conference Friday that if illegal exports had taken place, the matter would be taken very seriously.

Rains, floods kill 131 in China

PEKING (AP) — Torrential rains and flooding have hit China's most populous province and two industrial cities, killing at least 131 people and seriously injuring thousands, official media reported Friday.

Rivers, lakes and dams swollen by previous storms threaten to unleash more flood waters if the rains continue. Storms and flooding in June killed more than 400 people in eastern China, officials reported.

The China Daily newspaper said flooding since the beginning of July has killed 121 people and seriously injured 3,400 people in the southwestern province of Sichuan, China's most populous province.

The People's Daily, the Communist Party newspaper, said the Sichuan flooding inundated

700,000 hectares (1.7 million acres) of farmland, washed away more than 200,000 tonnes of grain and destroyed 72,300 houses.

Heavy rains and flooding also have hit other parts of southwestern China, setting off landslides that caused casualties in Guizhou province, the official Xinhua News Agency said. It gave no details of the casualties.

The China Daily said heavy rains and flooding Wednesday and Thursday killed at least 10 people in the cities of Wuxi and Suzhou, industrial centres in coastal Jiangsu province.

The two cities face threats of more flooding because nearby Lake Taihu, the largest lake in eastern China, is close to overflowing its banks, officials told the China Daily. The floodgates at

Lake Taihu's Taipu Dam have been opened to divert water into Zhejiang province, the newspaper said. In Suzhou, flooding washed out 150,000 hectares (370,400 acres) of farmland, destroyed more than 5,000 buildings and caused 2,500 factories to halt production, the China Daily said.

A spokesman for the Suzhou Flood Control Headquarters told the newspaper the city in the Yangtze River valley is facing its worst flood disaster since 1954.

The recent rains have flooded more than 12,000 homes in Suzhou.

Downpours and flooding in Wuxi damaged more than 1,170 buildings and inundated more than 46,000 hectares (114,000 acres) of rice fields, the city's Flood Control Headquarters reported.

Panama leader forms strange alliance to stay in control

PANAMA CITY, Panama (AP) — Many Panamanians believed the U.S. invasion would usher in lots of aid, new prosperity and smooth-running democracy. It didn't.

Panama has not received all the funds Washington promised for repairing damage from the December 1989 invasion that overthrew Gen. Manuel Antonio Noriega. The effects of U.S. trade sanctions linger and people still send their money abroad.

President Guillermo Endara's coalition is shattered and he needs the support of the old Noriega party, whose thugs once beat him up in the street, to keep control of the government.

Unemployment is estimated at 25 per cent and the government said it wants to reduce a public payroll of 150,000 by nearly 20,000 jobs.

Mr. Endara has seen his popularity rating drop to less than 15 per cent from more than 70 just after the Americans put him in power.

Critics say he lacks leadership and allows some advisers to control him. Former Vice President Ricardo Arias Calderon claimed comptroller Ruben Dario Carles was "setting government policy" because of "the president's weakness."

A large, jolly man, Endara is popularly called bread pudding. "He does not have any malice at all. We need someone to teach him how to be mean," a close associate said.

In a speech to a business group, Mr. Endara said "I think the country is going through a normal development of democracy, through a transition period from

a dictatorship to democracy. I think the economy has grown."

He often quotes numbers on economic recovery. According to official figures, exports grew from \$300 million for the year ended in April 1990 to \$318 million the next year, Panama Canal tolls rose from \$338 million to \$370 million and bank deposits went from \$3.5 billion to \$4.4 billion.

Eighteen months after the U.S. invasion, the economy is growing slowly. The rate was 3.2 per cent in 1990, after a decline in the last Noriega years, and 5 per cent is predicted for 1991.

The president created some of his own political problems by kicking the Christian Democrats out of his coalition in April, thus converting them into the main opposition.

With the Christian Democrats went their leader, Arias Calderon, who may win the presidency in 1994. The coalition was tenuous from the start — Christian Democrats stressing ideology and other parties centred on personalities.

They had little in common except a dislike for Gen. Noriega, and the glue of unity vanished with him.

When Mr. Endara and his allies won the March 1989 elections, Noriega annulled the results. The coalition was brought to power by the U.S. invasion, which followed lengthy economic sanctions that had failed to drive Gen. Noriega out.

Since the collapse of his alliance, Mr. Endara has relied on the 10 members from the Revolutionary Democratic Party to give him a majority in the National Assembly.

The party ruled Panama throughout the military period and supported Gen. Noriega to the end. Its agents beat Mr. Endara bloody during a protest of Gen. Noriega's annulment of the elections.

Panamanians expected a lot from the democratic government, but have been disappointed by the political bickering and lack of foreign aid.

Mr. Endara has a lot more problems. Perhaps Mr. Endara's toughest job is implementing austerity measures that undo many populist policies introduced in 21 years of military rule. Changes include revising a labour code so protection that many foreign investors avoid Panama.